

Final Report

Pre-Merger Feasibility Study for the Fort Edward Union Free School District, Hudson Falls Central School District, and South Glens Falls Central School District

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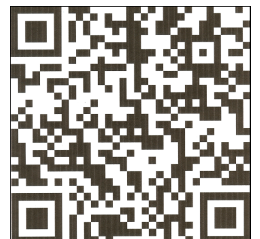




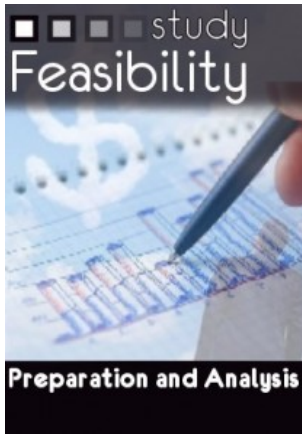
Table of Contents

<u>Chapter</u>	<u>Page No.</u>
1-Introduction.....	3
2-Acknowledgements.....	5
3- Possible School District Reorganization.....	6
4-Background Information	8
5-Student Enrollments.....	12
6-Academic and Interscholastic Athletic Program.....	18
7-Facilities.....	32
8-Transportation.....	37
9-Staffing.....	39
10-Finances.....	48
11-Summary Considerations.....	61
12-Tuitioning of Fort Edward Students in Grades 7-12.....	66



Chapter 1 Introduction

In today's fiscal and educational environment, school districts all over New York State are wondering if they can continue to exist in their present form. Many are exploring various options to fundamentally change the way they are organized in an effort to continue providing their students a 21st century education at a cost that local



taxpayers can bear. School district merger is one organizational option that is being considered. Fort Edward, Hudson Falls and South Glens Falls have chosen to consider this path. However, unlike many other school districts, these districts first chose to conduct this pre-merger feasibility study to determine if a more extensive merger investigation should be undertaken.

This merger feasibility study examines the advantages and disadvantages of a potential merger. Castallo & Silky, LLC, an education consulting firm from Syracuse, New York, worked with the districts to complete this study. Based on its vast experience with school district reorganization, Castallo & Silky, LLC identified a list of indicators that characteristically predict the likelihood of a successful merger. This list of indicators was used to structure data gathering and analysis and serves as the foundation for the recommendations included in this study.

The consultants began by requesting a significant amount of information from all three school districts. Once this information had been secured, conversations with key school district staff were held to review the information and to probe other critical areas of district operations. The consultants organized and analyzed the information resulting in this written report. A meeting with the consultants and the three superintendents to discuss the report and next steps was also held.

It should be clear to the reader that this is a pre-merger feasibility study and not a formal merger study. This study was undertaken to determine if it might be advisable for the districts to consider entering into a formal merger study and, if so, what possible combinations of the districts might make the most sense. A formal merger study would involve staff/community committees from the respective districts and would examine



each of the topics discussed in this study in far greater detail. Also, the State Education Department and the District Superintendent would oversee a complete merger study. Subsequent to the completion of the merger study, the districts would decide whether or not to put the question of merger up for a community referendum.

All three districts supported this pre-merger study as evidenced by the fact that the boards passed resolutions to engage in such a study. The purpose of this investigation is to determine if it is realistic to move forward with a complete merger study based on some critical information comparing the three districts and if so what combination of the districts might best be considered. The following pages present the information that was examined and will be used by the boards of education to decide whether a formal merger study in the future would be in the best interest of any of these three school districts.

This merger feasibility study examined the possible combinations of the three study districts to help them decide if the districts should move forward to a full merger study process.



Chapter 2

Acknowledgements

A study of this magnitude could not be accomplished without the assistance of many individuals. We wish to thank the following people who generously provided assistance as we went about our work.



First and foremost, we wish to thank the superintendents of the three study districts; Dan Ward of Fort Edward, Linda Goewey of Hudson Falls, and Kristine Orr of South Glens Falls. These superintendents not only provided access to district records and staff so that we might have a complete data set to make our recommendations, but even more importantly, they provided courageous leadership by even initiating this investigation. Merely mentioning the “M” (merger) word evokes a great deal of emotion in local communities. Despite this, these school leaders recognized that, for their districts to continue delivering a quality education, bold action needed to be taken—and they have done so.

Business staff in the three districts were also most helpful in providing information about employees. Our thanks go out to Michelle Sherwood and Michelle Taylor in Fort Edward, Jamie Monroe in Hudson Falls, and Audrey Varney in South Glens Falls.

We would also like to recognize the boards of education from Fort Edward, Hudson Falls, and South Glens Falls for their leadership and foresight to provide the best possible education for their children within the financial realities of their communities. These boards are asking difficult but important questions about the future of their school districts and communities and they should be applauded for their efforts.



Chapter 3

Possible School District Reorganization

School districts that wish to entertain a possible merger in New York State can only pursue other districts that are contiguous or share their borders. Fort Edward and Hudson Falls are located primarily in Washington County; South Glens Falls is located primarily in Saratoga County.

Looking at the geographic boundaries of the three districts and the wishes of the participating boards of education, two possible merger combinations are included in this study:

A. Fort Edward/Hudson Falls

B. Fort Edward/South Glens Falls

The body of this report is organized around the indicators that mark a successful merger of school districts. Within the discussion of these indicators, both possible combinations of the school districts will be addressed.

Once all the indicators have been evaluated, an assessment is made regarding the overall likelihood that the particular combination of districts is worthy of a full merger study from an objective data perspective.

The two most common forms of school district reorganization in New York State are centralization and annexation. For purposes of this study, the districts have asked for annexation to be studied. In an annexation, a new district is not created; rather, the district to be annexed is dissolved and becomes part of the annexing district. This study will examine the annexation of Fort Edward by Hudson Falls and the annexation of Fort Edward by South Glens Falls. When the term “merger” is used throughout this report, it will refer to a merger by annexation.

In an annexation, the annexing district assumes all property rights of the district annexed, as well as any debt incurred through bonds or notes. The teaching personnel in the district that is annexed have the right to employment in the annexing district if a vacancy exists within their tenure area. Teachers from the annexed district do not, however, have "bumping" rights. If a vacancy is not available within a teacher's tenure area, the teacher is placed on a preferred eligible list for a period of seven years. Once



employed, for salary, sick leave and any other purposes, the length of service credited in the annexed district shall be credited as employment time with the annexing district. The superintendent of a district that is annexed would not have rights to the superintendency of the annexing district. The board of education of the annexing district continues responsibility for the administration of the district. However, for purposes of voting on matters related to the operation of the reorganized district, the qualified voters of the annexed district become qualified voters in the annexing district. The two districts involved may agree on a set of non-binding assurances that would provide direction for the new district.

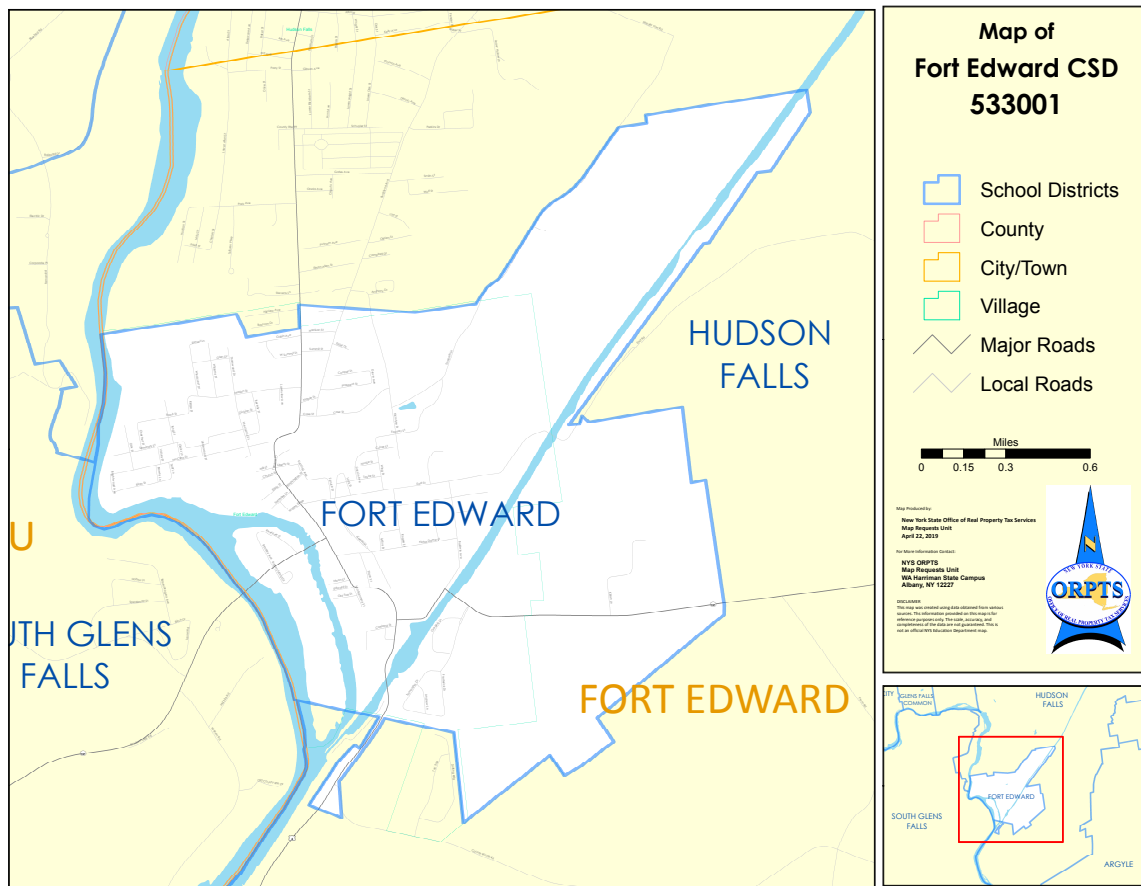
In addition to the study of a possible merger, Fort Edward and Hudson Falls have asked for a very preliminary analysis of tuitioning. In this case, Fort Edward would close its junior-senior high school, send its students in grades 7-12 to Hudson Falls, and pay tuition to Hudson Falls to educate the Fort Edward students in these grades. Again, this is not a full tuitioning study but a preliminary look at the concept to determine if it deserves further investigation by the two districts. The discussion of tuitioning can be found in Chapter 12 of this report.

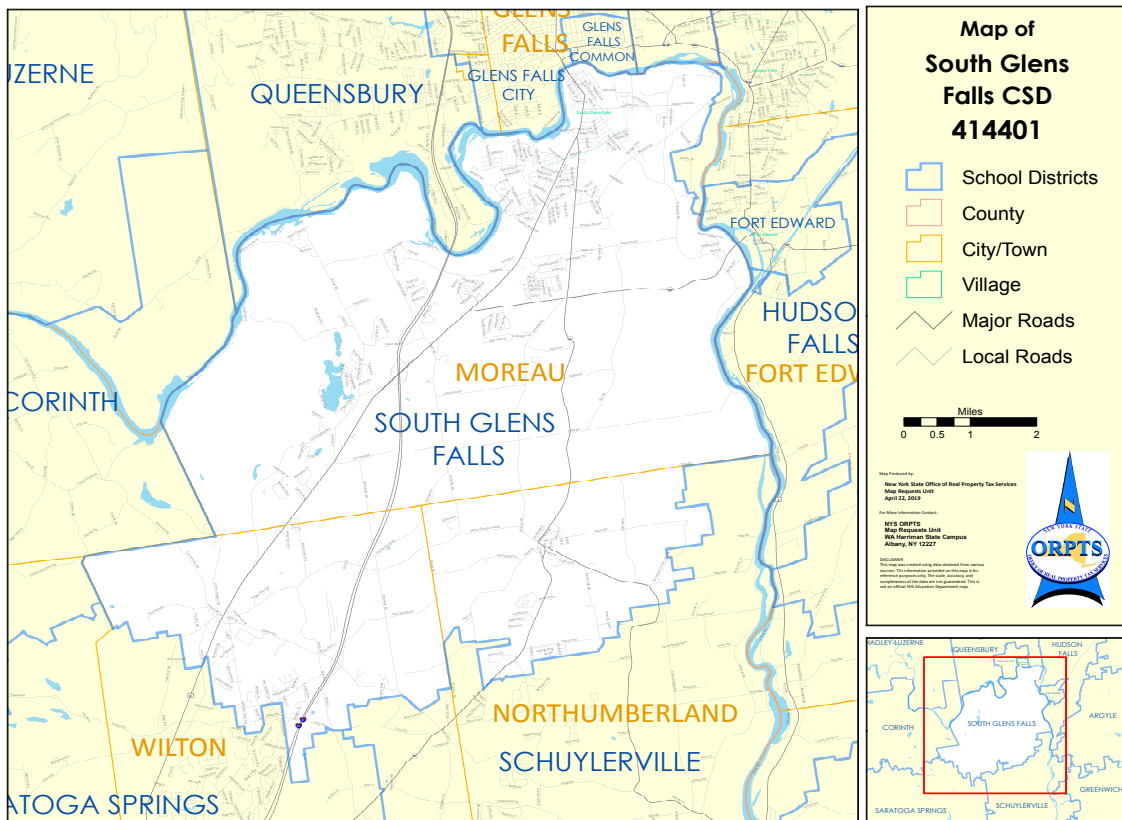
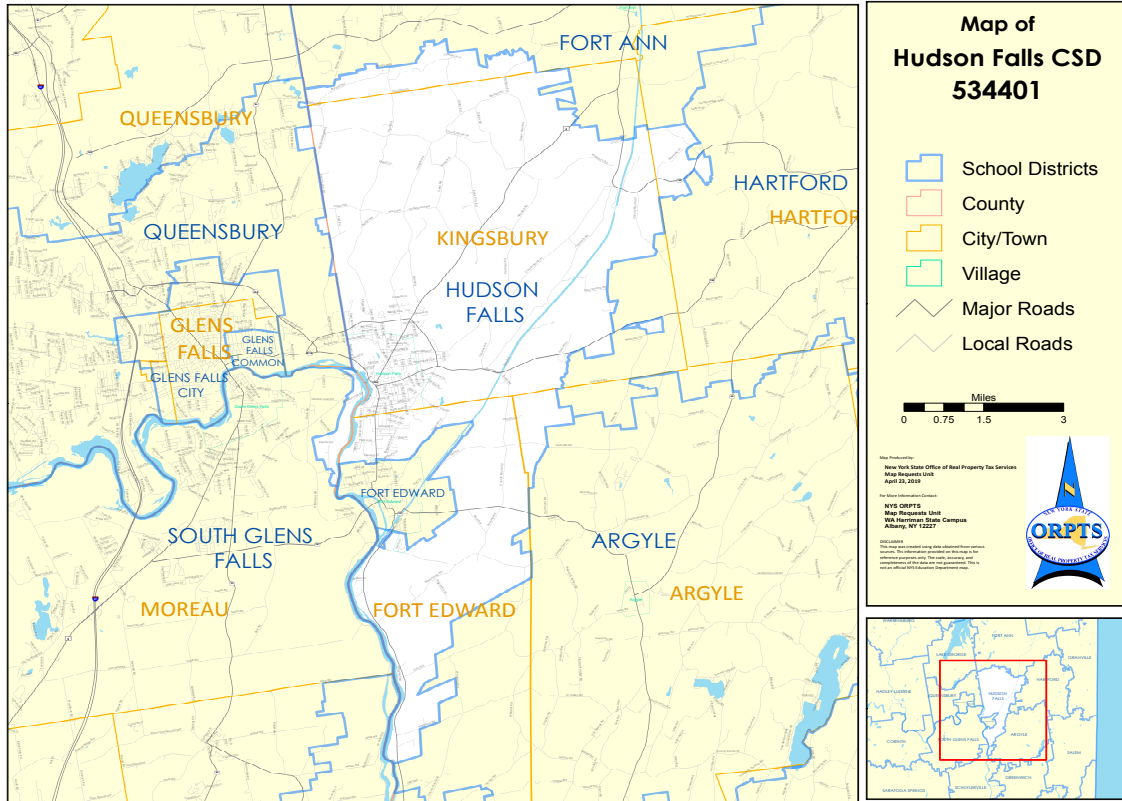


Chapter 4

Background Information

The Fort Edward, Hudson Falls, and South Glens Falls school districts are all located in the Saratoga region of New York State. Fort Edward and Hudson Falls are located in Washington County while South Glens Falls is in Saratoga County. All three districts are component districts of the Washington-Saratoga-Warren-Hamilton-Essex (WSWHE) BOCES. These school districts are very prominent institutions in their respective communities.







Some aspects of the three districts are similar yet there are significant differences in other demographic areas. This is shown in the background information in table 4.1 that follows.

Table 4.1 Background on the Districts			
<i>District Characteristic</i>	<i>Fort Edward</i>	<i>Hudson Falls</i>	<i>South Glens Falls</i>
Superintendent	Dan Ward	Linda Goewey	Kristine Orr
2017-18 Enrollment	496	2,278	3,105
Square Miles in District	3	53	66
BOCES Affiliation	WSWHE	WSWHE	WSWHE
Transportation Aid Ratio	.900	.900	.697
Building Aid Ratio (including High Need Supplemental & 10% Incentive)	.870	.848	.795
BOCES Aid Ratio	.718	.745	.621
Combined Wealth Ratio	.503	.485	.700
Full Value Tax Rate: 2018-19	\$21.84	\$13.03	\$15.51
Grade Level Configuration	Pre-K-12	Pre-K-12	K-12
Eligible for Free Lunch*	50%	47%	30%
Eligible for Reduced Price Lunch*	2%	5%	3%
White*	89%	90%	92%
Black or African American	1%	1%	1%
Hispanic or Latino*	4%	4%	4%
Asian/Hawaiian/Other Pacific Islander*	-	1%	1%
American Indian or Alaska Native	-	-	-
Multi Racial*	5%	5%	3%
Annual Attendance Rate*	96%	94%	96%
Student Suspensions*	9%	6%	3%
* Indicates data was drawn from 2016-17 and 2017-18 school report cards			

Table 4.1 shows that these districts have a similar student demographic. Fort Edward is smaller in both geographic size and student enrollment than Hudson Falls and South Glens Falls. Fort Edward and Hudson Falls have similar district wealth based on combined wealth ratio and student eligibility for free and reduced lunches. South Glens Falls is wealthier than either Fort Edward or Hudson Falls resulting in lower state aid ratios than the aforementioned districts. Hudson Falls and South Glens Falls have true



value tax rates that are more similar while the 2018-19 tax rate on true value for Fort Edward is significantly higher than either of the other two districts.



Chapter 5

Student Enrollments

This section of the report provides a picture of the current status of the three districts' student enrollments as well as an overview of the population trends in the area. Accurate enrollment projections are essential data for district long-range planning. Virtually all aspects of a district's operation (educational program, staffing, facilities, transportation, finances, etc.) are dependent on the number of students enrolled. For this reason, updated enrollment projections using the cohort survival methodology are crucial for this study and serve as the launching pad for our analysis.



Table 5.1
Fort Edward Enrollment History and Projections

Grade	2013 -14	2014 -15	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24	2024 -25	2025 -26
Birth Data	49	45	40	51	38	41	53	25	40	39	39	39	39
K	55	46	38	32	44	42	40	51	24	39	38	38	38
1	42	56	43	43	32	40	36	36	47	22	35	35	35
2	45	43	49	37	37	29	28	35	35	45	21	34	33
3	43	43	37	46	43	33	31	26	33	33	42	20	32
4	45	37	42	37	47	38	36	30	25	31	31	40	19
5	37	45	34	41	34	43	40	34	28	23	29	29	38
6	41	42	37	34	41	25	24	39	32	27	23	28	28
7	33	44	40	34	34	35	33	22	36	30	25	21	26
8	35	30	40	42	32	29	31	35	24	39	33	27	23
9	48	44	31	42	40	35	29	26	29	20	32	27	22
10	35	38	35	28	33	34	34	29	26	29	20	32	27
11	31	37	36	37	27	34	32	32	27	24	27	19	30
12	21	32	32	30	35	26	24	29	30	25	22	25	17
Total K-12	511	537	494	483	479	443	418	425	396	387	379	375	368
K Total	55	46	38	32	44	42	40	51	24	39	38	38	38
1-3 Total	130	142	129	126	112	102	95	97	114	199	99	88	100
4-5 Total	82	82	76	78	81	81	76	63	53	55	60	69	57
K-5 Total	308	312	280	270	278	250	117	126	127	128	130	132	134
6-8 Total	109	116	117	110	107	89	57	48	47	51	53	53	51
7-12 Total	203	225	214	213	201	193	183	174	172	168	159	151	146
9-12 Total	135	151	134	137	135	129	70	70	72	70	71	65	65

NOTE: 2022-23 through 2025-26 birth data are an average of the previous five years data as these children are either not born yet or the data are not yet available. Table does not included students in ungraded classrooms.



Examining Table 5.1, it is apparent that Fort Edward's K-12 enrollment has dropped over the past six years from 511 students in 2013-14 to this year's enrollment of 443, a decrease of 68 students or 13.3%. Looking to the future, the K-12 enrollment appears to continue to decline to an estimated 368 K-12 students in 2025-26.



Table 5.2 Hudson Falls Enrollment History and Projections													
Grade	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Birth Data	202	183	189	177	190	187	169	160	159	173	173	173	173
K	191	190	191	163	178	169	180	163	154	153	167	167	167
1	185	184	190	181	179	172	168	177	160	151	150	163	163
2	205	179	179	184	175	182	174	161	169	153	145	144	156
3	178	196	173	167	176	171	164	167	154	162	146	139	138
4	185	162	184	168	158	180	183	166	170	157	164	149	141
5	164	177	173	192	173	155	153	181	164	168	155	163	147
6	166	163	179	161	182	183	183	153	181	164	168	155	163
7	191	165	159	179	167	181	178	180	151	178	162	165	153
8	172	186	155	151	180	176	199	201	203	170	201	183	186
9	184	184	199	177	180	211	183	173	175	177	148	175	159
10	159	154	165	161	159	163	149	167	158	159	161	135	159
11	144	146	135	154	156	137	135	146	165	155	157	159	133
12	163	134	150	131	146	164	162	133	144	162	153	155	157
Total K-12	2287	2220	2232	2169	2209	2244	2211	2169	2148	2110	2077	2050	2021
K Total	191	190	191	163	178	169	180	163	154	153	167	167	167
1-3 Total	568	559	542	532	530	525	506	505	483	466	441	446	457
4-5 Total	349	339	357	360	331	335	336	347	334	324	319	311	288
6-8 Total	529	514	493	491	529	540	560	535	535	513	530	503	502
9-12 Total	650	618	649	623	641	675	629	620	642	654	620	624	608
NOTE: 2022-23 through 2025-26 birth data are an average of the previous five years data as these children are either not born yet or the data are not yet available. Table does not included students in ungraded classrooms.													

Table 5.2 illustrates the enrollment history and projections for Hudson Falls. Hudson Falls has seen a fairly stable enrollment over the past six years. The K-12



student body totaled 2,287 in 2013-14 and this current year is at 2,244, a decrease of 43 students or 1.9%. Looking to 2025-26, the enrollment decline is projected to continue at an even greater rate. It is estimated that the 2025-26 K-12 enrollment will be approximately 2,021 students.

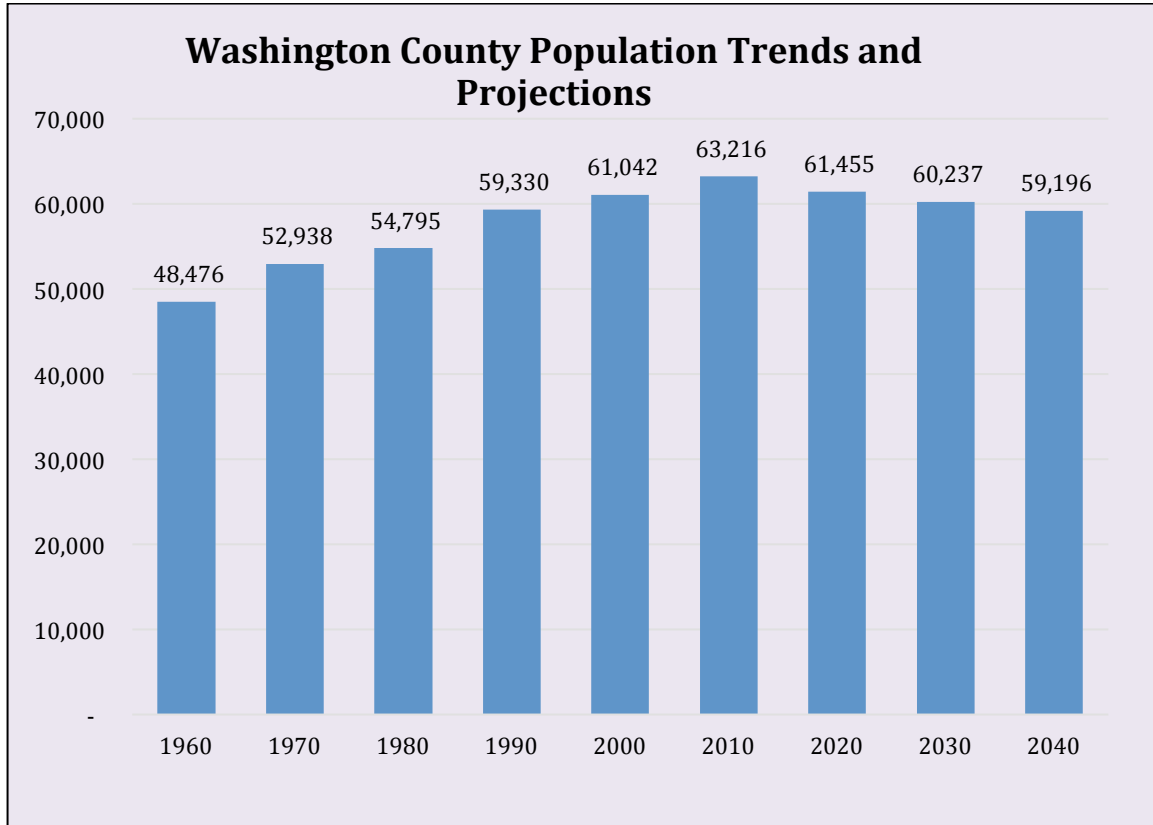


Table 5.3 South Glens Falls Enrollment History and Projections													
Grade	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Birth Data	221	221	188	197	186	211	206	187	189	196	196	196	196
K	265	266	231	245	237	208	247	241	219	221	229	229	229
1	264	252	248	229	215	238	238	247	241	219	221	229	229
2	232	257	255	250	231	214	212	236	245	239	217	220	227
3	199	234	248	248	246	239	237	210	234	243	237	215	217
4	233	195	239	240	255	234	239	242	215	239	248	242	220
5	236	241	202	239	240	265	267	241	244	217	241	250	244
6	234	243	242	202	243	237	238	268	242	244	217	242	251
7	226	228	251	242	199	249	251	240	270	244	246	219	243
8	248	230	232	253	247	194	204	264	252	284	256	259	230
9	260	277	246	237	254	257	244	193	250	239	269	243	246
10	251	252	245	231	235	244	238	238	189	244	233	262	237
11	217	254	246	234	210	240	237	235	235	186	241	230	259
12	252	203	251	241	234	217	214	234	232	232	184	238	227
Total K-12	3117	3132	3136	3091	3046	3036	3065	3088	3066	3049	3039	3076	3059
K-5 Total	1429	1445	1423	1451	1424	1398	1440	1417	1397	1377	1393	1384	1366
6-8 Total	708	701	725	697	689	680	693	771	764	772	720	719	724
9-12 Total	980	986	988	943	933	958	933	900	905	901	927	973	968
NOTE: 2022-23 through 2025-26 birth data are an average of the previous five years data as these children are either not born yet or the data are not yet available. Table does not included students in ungraded classrooms.													

The enrollment for South Glens Falls has declined over the past six years. In 2013-14, the K-12 student enrollment was 3,117 while this current year, there are 3,036 students in K-12, a decrease of 81 students or 2.6%. However, the projection data for future years indicates that this trend will reverse and the district's enrollment will increase slightly over 2018-19 levels. The projected K-12 enrollment for 2025-26 is 3,059 which represents an increase of 23 students, or 0.8%, over current enrollment although still less than the 2013-14 enrollment.

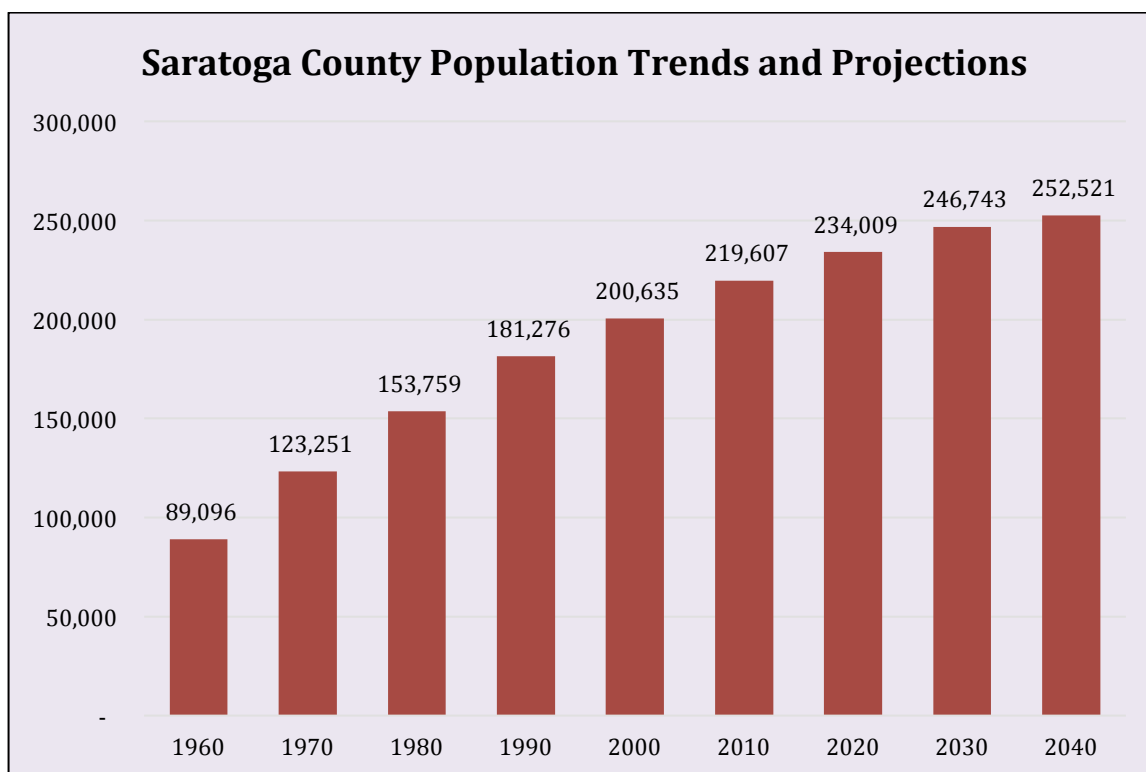


Fort Edward and Hudson Falls are located in Washington County. Based on census data, the population of Washington County was increasing until 2010 but projection data indicates a slight but steady decline through 2040. This graph supports the likely continued decline in enrollment in Fort Edward and Hudson Falls documented in Tables 5.1 and 5.2.



Source: Cornell University Program for Applied Demographics

South Glens Falls is located in Saratoga County. The population graph for Saratoga County illustrates a trend different from most counties in upstate New York. The graph shows a significant increase in population from 1960 to 2010 with a projection for continued population growth through 2040. The student enrollment in South Glens Falls is projected to increase slightly from its current level over the next seven years. Based on the population projection data for Saratoga County, there is reason to believe the enrollment may increase even more than the current formula projects.



Source: Cornell University Program for Applied Demographics

The next section of this report looks at the student populations that would result if the districts were to merge.

Table 5.5 that follows shows the student population that would result from a merger of the Fort Edward Union Free School District and the Hudson Falls Central School Districts. This combination of districts would yield a student body of approximately 2,594 students in 2020-21, a figure that is projected to decline over the following five years to an estimated enrollment of 2,389 in 2025-26.

Table 5.5								
Projected Enrollments of Merged Fort Edward and Hudson Falls District								
District	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Fort Edward	443	418	425	396	387	379	375	368
Hudson Falls	2244	2211	2169	2148	2110	2077	2050	2021
Total	2687	2629	2594	2544	2497	2456	2425	2389

Table 5.6 that follows illustrates the student population that would result from a merger of the Fort Edward Union Free School District and the South Glens Falls Central School District. This merged district would have a student population of approximately



3,513 students in 2020-21, declining slightly over the next five years to an estimated enrollment of 3,427 students in 2025-26.

Table 5.6								
Projected Enrollments of Merged Fort Edward and South Glens Falls District								
District	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Fort Edward	443	418	425	396	387	379	375	368
South Glens Falls	3036	3065	3088	3066	3049	3039	3076	3059
Total	3479	3483	3513	3462	3436	3418	3451	3427

In order to provide a perspective on the size of these merged districts, the following school districts in the Capital/Saratoga Region of New York State have approximately the same number of students as the various combinations under consideration. Based on 2018-19 enrollments, combinations would result in total enrollments of:

- Fort Edward & Hudson Falls = 2,687 students
- Fort Edward & South Glens Falls = 3,479 students

The following Capital/Saratoga Region districts have a similar number of students:

- Averill Park - 2,649
- Ballston Spa – 4,082
- Burnt Hills - 3,059
- East Greenbush - 4,079
- Mohonasen - 2,790
- Niskayuna - 4,246
- Queensbury - 3,197
- Saratoga - 6,379
- Scotia Glenville - 2,438
- Troy - 4,302



Chapter 6

Academic and Interscholastic Athletic Program

It is important for any school board that is considering a possible merger discussion to do so with the primary intent of sustaining and hopefully enriching the educational program for the young people of the community. In all merger discussions, it is essential to discover what each of the districts brings to the curricular offerings of the other.

The districts have chosen to organize their grades in different manners. Table 6.1 that follows shows the organizational pattern of the three study districts.

Table 6.1			
2018-19 Grade Organizational Structure			
Level	Fort Edward	Hudson Falls	South Glens Falls
Elementary School	Pre-K-5	<ul style="list-style-type: none"> • Pre-K & K • 1-3 • 4-5 	K-5 (4)
Middle School	6-12	6-8	6-8
High School		9-12	9-12

Looking at table 6.1 above, Fort Edward has a single elementary school while South Glens Falls has four neighborhood elementary schools. Hudson Falls has adopted the “Princeton Plan” and has “stacked” their elementary grades so the schools are organized by grades rather than by neighborhoods. Fort Edward has a single building for its 6-12 middle/high school while Hudson Falls and South Glens Falls both have separate buildings for their middle schools and their high schools.

Looking first at the elementary school program, Fort Edward and Hudson Falls both provide a Pre-Kindergarten program; South Glens Falls has a Pre-Kindergarten program that is run by a private agency in the community and serves approximately 108 students. Table 6.2 that follows shows the number and size of elementary grade sections that are offered in the 2018-19 school year.



Table 6.2			
Elementary School Section Sizes-2018-19			
Grade	Fort Edward	Hudson Falls	South Glens Falls
<i>Pre-K (1/2 day)</i>	15, 15	15, 14, 14, 14, 10, 11, 12, 11	-
Kindergarten	20, 18	17, 17, 19, 18, 18, 18, 19, 19, 16	18, 17, 18, 20, 21, 17, 17, 19, 19, 19, 17
1	19, 16, 4	19, 19, 17, 20, 17, 17, 14, 19, 19	17, 17, 17, 17, 23, 23, 24, 22, 18, 19, 18, 17
2	15, 11, 1	20, 17, 20, 20, 20, 17, 20, 20, 20	21, 22, 22, 15, 16, 21, 19, 14, 17, 15, 16
3	13, 17	21, 21, 19, 21, 18, 21, 21, 20	19, 20, 18, 20, 23, 21, 22, 20, 20, 20, 20
4	20, 18	22, 20, 20, 22, 22, 21, 24, 23	18, 17, 18, 18, 16, 16, 16, 20, 22, 17, 16, 18, 17
5	21, 18	20, 19, 19, 18, 20, 19, 19, 19	22, 21, 22, 21, 22, 21, 21, 21, 20, 20, 21, 21
TOTAL K-5	211	985	1,337
NOTE: Number of students in this table may vary from the enrollment projection tables due to varying times when the data were drawn.			

All three districts have language in their collective bargaining agreements regarding class size. This language deals with “normal limits,” the “intention of the Board,” and provides situations where the stated class size limits can be exceeded. All of the class size guidelines that are contained in the collective bargaining agreements are above the current class sizes. It appears that, should a merger of Fort Edward with either Hudson Falls or South Glens Falls occur, elementary, middle, and high school program could be developed without constraints from class size language.

While understanding that the elementary school section size is important, school districts that merge often choose to leave the elementary schools where they are located at the time of the merger. This provides a school presence in each of the communities and allows the youngest students to have the shortest bus rides from home to school and back. For purposes of this merger feasibility study only, it will be assumed that the Fort Edward Elementary School will remain open regardless of the annexing district.

Middle school is a time for student exploration. Middle school students follow a program that is highly prescribed by the State Education Department. This program exposes students to a variety of courses in order to gauge student interest prior to entering



high school. Because the state regulates the middle school program so heavily, the offerings of the three districts are quite similar.

For this study, we have summarized high school course offerings that each of the school districts would bring to a newly formed district. The following table 6.3 summarizes these offerings.

Table 6.3 High School (9-12) Course Offerings-2018-19 (Does Not Include Resource Room, Self Contained Special Education, BOCES, or Study Halls) *Indicates a Science/Math Class with a Corresponding Lab; DL=Distance Learning			
Course	Fort Edward	Hudson Falls	South Glens Falls
ENGLISH			
English 9	21, 13	9, 27, 21, 22, 28, 25, 5, 20	24, 24, 23, 15, 19, 24, 24, 23, 10
English 9 Honors		20, 16	20, 16, 20
English 10	16, 17	17, 21, 22, 20, 17	24, 24, 25, 21, 19, 19, 25, 6
English 10 Honors		26, 14	20, 22, 18, 18
English 11	16, 13	20, 19, 21, 26, 23, 27	25, 24, 23, 25, 19, 20, 1, 12
English 11 Honors		15	
English 12	7, 11	21, 24, 13	2
English 12 AP		2	
English 12-Power of Speech			12
English 12-Film as Literature			25, 12, 20, 24
English 12-Mythology			19, 24, 18
English 12-Creative Writing			25, 15
English 12-Saratoga Literature			22, 17
Humanities		19	
Fiction		19	
AP English Language & Composition			22, 15, 23, 20
AP English Lit & Composition			19, 8
College English 101		14, 19	
College English 102		17, 14	
Public Speaking	7		
Creative Writing	7		
Introduction to College Writing	2		24, 15, 8
Writing In & About Literature	2		24, 13
Sports & Society			24
Regents Prep English	2		
SAT Prep-Math & English			18, 15
English 11/12 AIS			3, 1



SOCIAL STUDIES			
Global History 9	20, 11	12, 30, 28, 13, 21, 6, 16, 21	26, 27, 27, 18, 24, 17, 24
Global History 9 Honors		14, 16	23, 27, 21
Global History 10	19, 17	20, 24, 19, 24, 27, 5	27, 27, 27, 27, 26, 27, 27, 27
Global History 10 AP		19	
Global History AIS			3, 7
US History & Government	20, 11	15, 23, 25, 17, 15, 27	14, 18, 15, 26, 14, 27, 27, 26
AP US History	1		18, 17, 19
College American History Honors		1, 17	
US History AIS			2
Participation in Government-1/2 year	15, 11	28, 26, 11, 30, 25, 27	27, 25, 17, 21, 22, 24, 22
Economics-1/2 year	15, 11	29, 25, 26, 29, 29, 10	27, 25, 17, 21, 22, 24, 22
AP Government & Politics			13, 27
AP European History			8, 8
Honors Economics			13, 27
Psychology			26, 23
Child Psychology			27, 27
AP Psychology	4		26, 27
College Psychology 101		12	
College Psychology 2222		15	
Principles of Sociology	9, 2		
Criminology	9		
World War 2	15		
Green Economics & Public Policy	1		
History of Fort Edward	14		
Sports in History	5		
Sports Marketing/Management		10	
Legal/Ethical Environm't of Business	1		
Ethics & Social Responsibility			12
Regents Prep History	10		
College Forum	2		
MATH			
Algebra	9, 6	20, 14, 16, 14, 16	20, 19, 23, 21
Algebra with Lab*			15, 18, 27
Algebra A-1	19	7, 23, 24, 23	26, 22
Algebra A-2	17	13, 10, 28, 18	11, 8
Financial Algebra			25
Algebra 2 A		23, 29, 28	



Algebra 2 B		11, 20	
Algebra 2 Honors		18	
Foundations in Algebra 2/Trig			23
Algebra 2/Trig	14	23, 9	18, 19
Algebra 2/Trig with Lab*			20, 14
Advanced Algebra & Trigonometry			27, 26, 18, 16
Foundations in Geometry			18, 19, 20
Geometry	11, 11	18, 13, 18	20, 26, 21, 18, 19
Geometry Honors		23	25, 27
Geometry with Lab*			16, 19
Consumer Math			1
Personal Finance			20, 27, 27, 26
Topics in Math			15
Math AIS			11, 8
Foundations in Pre-Calculus			20
Pre-Calculus	8	13, 6	27, 27, 16, 13
Calculus	6		
SUNY Adirondack-Calculus 1			15, 13
SUNY Adirondack-Calculus 2			15, 12
MST Technology Integration			27, 26, 18, 16
Computer Science 1			5
Computer Science 2			4
AP Computer Science			6
Introduction to Statistics			7
Math & Financial Applications	10		
College Prep Algebra	10	18	
College Math 121		13	
College Math 125		13	
SCIENCE			
Science Research 1		5	
Science Research 2		4	
Science Research 3		4, 1	
Science Skills		11, 11	
Earth Science*	17, 16	16, 26, 15, 24, 25, 24, 29	26, 22, 25, 16, 22, 26, 23, 17, 17, 21, 19
Living Environment/Biology*	12, 11, 13	16, 30, 26, 30, 25, 24, 20, 8	25, 27, 21, 23, 27, 28
Advanced Biology Honors		15	
AP Biology*			13, 20, 14
Chemistry*	11	14, 27, 17	25, 27, 23, 26
MST Chemistry*			27, 26, 18, 16
General Chemistry		30	15, 11
Foundations in Chemistry			20
SUPA Forensic Chemistry			23



Physics*		7, 27	
General Physics	4	27, 26	
AP Physics*			5
General Science			11
Astronomy-DL	20		3
Modern Cosmology-DL			5
Practical Forensics			20, 25, 25
Environmental Science		10, 20	1
Marine Science-DL			8, 6
Survival Science			26, 18
Meteorology-DL			2
Green Economics/Public Policy-DL			2
Regents Prep Science	10, 11		
Science AIS			10
LANGUAGES OTHER THAN ENGLISH			
French 2		23, 10	25, 15, 19, 17
French 3		19	24, 24
French 4		9	17
French 5		10	15
Spanish 1	14	22	
Spanish 1 A			15
Spanish 2	20	22, 22, 20, 28	26, 24, 20, 21, 19
Spanish 3	16	11, 20, 25	22, 14, 15, 23, 12
Spanish 4		16	17, 13, 15
Spanish 5		11	18
English As A Second Language		3	2, 1
TECHNOLOGY			
Architecture	21		
Production Systems	22		
Manufacturing Systems		17	
Design & Drawing for Production	13		
Design & Drawing for Production 1		23	
Design & Drawing for Production 2		25	
Power Mechanics		17	
Computer Integrated Manufacturing	7, 9		
Introduction to Nanotechnology	1		
Project Lead the Way		17, 24, 18	
PLTW-Introduction to Engineering			26, 16, 20, 21, 23
PLTW-Principles of Engineering			24
PLTW-Computer Science			16, 13
PLTW-Civil Engineering			11, 17
PLTW-Engineering Design			10
PLTW-Digital Electronics			14
PLTW-Computer Integrated Manufacturing			19



Biotechnology			16
Innovation Zone			14
Readiness	2		
Photovoltaic Theory & Design	1		
BUSINESS			
Business Math		17	
Employability Skills			14
Accounting		16	
SUNY- Principles of Marketing			8
Sports & Entertainment Marketing			11, 20
Business & Personal Law			19, 14, 13
SUNY-Principles of Management			9
Business Computer Applications		18, 5, 14	
Business Ownership			24
P-Tech 21 st Century Skills			8
ART			
Printmaking	9	18	
Studio in Art	11	27, 27	17, 13, 16, 16, 16
Portfolio	2, 2		
Ceramics I	5		
Ceramics II	2		
Ceramics		21, 15	11, 11
Advanced Ceramics			11, 11
3-D Portfolio in Ceramics			5
Painting I	8, 4		16
Advanced Painting	1		
Drawing I	10, 4		19, 18, 20, 17
Advanced Drawing			22, 21
Studio Drawing & Painting		14	
Photography 1		21	
Photography 2		15	
AP Art			3, 12, 8
New Media			12
Advanced Art		17	
Exploration of Art		28, 27	
Watercolor		20	
Independent Study	1, 2, 2		



MUSIC			
Music In Our Lives	9		
Junior Band	24		
High School Band	25	22, 3	
Concert Band			42
Music Theory			7
Music Appreciation		18	
Junior Chorus	26, 18		
High School Chorus/Choir	29	91	63, 73
Vocal Point			15
Choir/Band		20, 20	
Choir/Orchestra		27, 27	
Chamber Orchestra			20
Junior Band	7		
Jazz Band			12
Broadway Performances			13, 7
Orchestra		17	63
Ghost Orchestra			6
History of Rock			14, 6
FAMILY AND CONSUMER SCIENCE			
Food & Nutrition	9		
Independent Living	18		
Creative Cooking		20	
Gourmet Foods		6	
HEALTH/PHYSICAL EDUCATION			
Health	8, 23	30, 31, 14, 18, 24	25, 24, 22, 23, 26, 24, 26, 26, 21, 25, 24
Adaptive Physical Education			6
Physical Education	15, 17, 18, 22, 23, 25	28, 49, 22, 47, 37, 21, 43, 28, 72, 43, 38, 63, 51, 49, 38, 46	1, 1, 26, 23, 22, 26, 16, 26, 27, 26, 26, 23, 20, 27, 24, 19, 26, 24, 27, 25, 27, 26, 23, 23, 21, 24, 22, 19, 26, 25, 25, 25, 30, 26, 25, 26, 20
Independent Study-PE	6		
Adventure & Outdoor Skills			16, 15
Peak Performance			27, 26

Information in the previous table 6.3 clearly demonstrates that, while each district offers a basic high school academic program, Hudson Falls and South Glens Falls offer significantly more course options for their students than does Fort Edward. This does not



mean that Fort Edward is doing anything wrong. Research on high school offerings consistently shows that larger high schools have the ability to offer more opportunities for their students than do smaller high schools. In this study, Hudson Falls and South Glens Falls are significantly larger than Fort Edward so it would be expected that the number of course options in these two districts would be greater than Fort Edward.

In analyzing the differences in course offerings, it is clear that the two larger high schools offer more electives than does Fort Edward. These electives take the form of honors courses, Advanced Placement courses, and courses that bear college credit. Hudson Falls and South Glens Falls also offer both Spanish and French while Fort Edward offers only Spanish. In addition, both larger districts offer more technology options for their students including a number of Project Lead The Way engineering courses in South Glens Falls. Finally both Hudson Falls and South Glens Falls are able to offer their students more business courses than Fort Edward is able to offer.

In short, a merger of Fort Edward with either Hudson Falls or South Glens Falls would enhance the breadth of the academic courses at the high school level for all students, but especially for students in Fort Edward. This is simply due to the fact that larger high schools are able to offer more course offerings than smaller high schools. The increased number of course offerings is one of the major reasons that school districts consider merging.

In addition to having access to more course offerings, a second academic advantage often results from merging high schools. Like most small high schools in New York State, Fort Edward has a number of courses with low enrollments, especially in the elective areas. In fact, Fort Edward has 43% of its high school sections with fewer than ten students. While Hudson Falls and South Glens Falls have some smaller classes, there are not nearly as many as in Fort Edward. As finances continue to squeeze school district operations, pressure will increase to eliminate programs. Programs with low enrollments will be the most vulnerable. By merging high schools, low enrollment classes can be combined which will increase enrollments and increase the probability that these offerings can be maintained for the students. The current status of low enrolled classes can be seen by curriculum area in table 6.4 that follows.



Table 6.4 Grades 9-12 Section Sizes with Fewer Than Ten Students (Does not Include AIS or Credit Recovery Classes)						
	Fort Edward		Hudson Falls		South Glens Falls	
Course Area	Number of Sections	Number of Sections with Fewer than 10 Students	Number of Sections	Number of Sections with Fewer than 10 Students	Number of Sections	Number of Sections with Fewer than 10 Students
English	13	6	34	3	59	5
Social Studies	22	9	40	3	56	2
Mathematics	11	4	30	3	56	5
Science	10	1	32	6	46	8
Languages Other than English	3	0	16	1	25	2
Technology	8	5	7	0	15	0
Business	0	0	5	1	10	3
Fine Arts	21	15	21	1	34	7
Family & Consumer Science	2	1	2	1	0	0
Health & Physical Education	9	2	21	0	53	3
Total	99	43 (43%)	208	19 (9%)	354	35 (10%)

There is nothing inherently wrong with small class sizes. In some ways, there are advantages to small class sizes. Individual attention can be given to students in smaller classes that cannot be provided to students as class sizes increase. On the other hand, in addition to the financial issues discussed previously, classes that are too small can reduce the amount of interaction between students of different views and actually decrease the benefit of the class. Without making value judgments about small class sizes, these data are presented in order to identify one of the challenges of small high schools.

Finally, table 6.5 is presented to show the graduation rates for each of the three districts. This table points out that the data is more similar than different across the three school districts.



Table 6.5 2018 Graduation Rate by District-4 Year Outcomes					
	Total Students in Cohort	Graduation Rate	Regents Diploma	Regents Diploma with Advanced Designation	Local Diploma
Fort Edward	38	71%	50%	21%	0
Hudson Falls	174	72%	34%	30%	7%
South Glens Falls	252	87%	40%	38%	9%

Interscholastic athletics can evoke strong emotions in people. Athletics are often a great source of community pride and can serve to provide a well-rounded education for the students in a school district.

All three districts are located in Section 2 of the New York State Public High School Athletic Association. Tables 6.6-6.8 that follow show the number of interscholastic athletic opportunities that are available to the students in all three districts as well as the number of students involved in each activity.



Table 6.6
Interscholastic Athletic Participation Rates-Fall-2018

Fall Sport	Fort Edward	Hudson Falls	South Glens Falls
Cheerleading, Varsity	10	11	10
Cheerleading, JV			4
Cross Country, Boys Varsity		6	14
Cross Country, Boys Modified			8
Cross Country, Girls Varsity			22
Cross Country, Girls Modified			5
Cross Country	3*		
Field Hockey Varsity			17
Field Hockey JV			16
Field Hockey Modified			28
Football, Varsity	21	24	36
Football, JV		34	31
Football, Modified	24		43
Golf, Varsity	4*	7	6
Soccer, Boys Varsity	1*	21	15
Soccer, Boys JV		19	23
Soccer, Boys Modified	6		39
Soccer, Girls Varsity		24	17
Soccer, Girls JV			18
Soccer, Girls Modified			18
Soccer, Varsity			
Soccer, JV	3*		
Soccer, Modified	2*		
Swimming, Girls		12	9**
Tennis, Girls		9	14
Volleyball, Varsity	12	10	10
Volleyball, JV	12	13	12
Volleyball, Modified	11		22

*-Fort Edward students on merged team with Argyle

**-South Glens Falls students on merged team with Hudson Falls





Table 6.7
Interscholastic Athletic Participation Rates-Winter-2018-19

Winter Sport	Fort Edward	Hudson Falls	South Glens Falls
Basketball- Boys Varsity	12	12	13
Basketball- Boys JV	12	13	13
Basketball, Freshman			12
Basketball-Boys Modified	17		27
Basketball- Girls Varsity	8	8	11
Basketball-Girls JV	7	10	13
Basketball- Girls Modified	7		24
Bowling	21	10	15
Bowling, JV		7	
Bowling, Unified		20	
Cheerleading, Varsity		10	10
Cheerleading, JV			10
Ice Hockey, Varsity			19***
Indoor Track, Boys		24	21
Indoor Track, Girls			38
Indoor Track, JV		7	
Swimming, Varsity			4**
Swimming, Modified			8**
Wrestling, Varsity		15	38
Wrestling, JV		7	
Wrestling, Modified			13
**-South Glens Falls students on merged team with Hudson Falls			
***-South Glens Falls students on merged team with Hudson Falls, Glens Falls, and Warrensburg			





Table 6.8
Interscholastic Athletic Participation Rates-Spring-2018

Spring Sport	Fort Edward	Hudson Falls	South Glens Falls
Baseball-Varsity	7**	10	14
Baseball, JV	8**	15	15
Baseball-Modified	6**		28
Basketball, Unified		14	
Lacrosse, Boys Varsity			25
Lacrosse, Boys JV			27
Lacrosse, Boys Modified			23
Lacrosse, Girls Varsity			19
Lacrosse, Girls JV			22
Lacrosse, Girls Modified			21
Softball-Varsity	3**	11	15
Softball, JV	6**	13	16
Softball-Modified	10**		
Tennis	8	10	8
Track & Field, Boys Varsity		33	49
Track & Field, Boys Modified			29
Track, JV		30	
Track & Field, Girls Varsity			56
Track & Field, Girls Modified			16
**-Fort Edward students on merged team with Hartford			

Once again we find that Hudson Falls and South Glens Falls, being the larger districts, offer a much more substantial athletic program for their students. In addition to having limited offerings, Fort Edward shares a significant number of athletic programs with Argyle and Hartford.

A merger with either Hudson Falls or South Glens Falls would create many more athletic opportunities for the students of Fort Edward. Such a merger might also provide the opportunity to develop new athletic offerings which could benefit students from both districts. While the opportunity for students to have more extra-curricular activities from which to choose is generally seen as an advantage, an additional factor related to merger is the increased competition for meaningful playing time on athletic teams. Some people see this as a negative while others see it as a positive.



Chapter 7

Facilities

In this chapter, we look at the structure of existing facilities. Facilities are an important aspect of school operations. They are costly to construct and require constant maintenance. However, they provide the environment in which students can be successful from both an academic and extra-curricular standpoint. They also represent major structures in all three of these communities and are, justifiably, a source of community pride. All three districts have done an admirable job of maintaining their facilities. Table 7.1 that follows describes the current elementary school facilities for Fort Edward, Hudson Falls, and South Glens Falls.

Table 7.1					
Overview of Elementary Buildings*					
Building	Year of Original Building	Square Feet in Current Building	Number of Floors	Grades Housed	Overall Condition of Building
Fort Edward Elementary	1970	55,853	2	Pre-K-5	Satisfactory
Hudson Falls Kindergarten Center	1954	28,510	1	K	Satisfactory
Hudson Falls Primary	1954	72,199	1	1-3	Satisfactory
Hudson Falls Intermediate	1954	55,287	1	4-5	Satisfactory
South Glens Falls Ballard Elementary	1968	54,769	1	K-5	Satisfactory
South Glens Falls Harrison Avenue	1957	52,036	1	K-5	Satisfactory
South Glens Falls Moreau Elementary	1955	49,275	1	K-5	Satisfactory
South Glens Falls Tanglewood Elementary	1968	63,013	1	K-5	Satisfactory
* Data in this table was taken from the 2015 Building Condition Survey for each district					

The overview of the elementary schools provides some interesting contrasts. Fort Edward's elementary school is located in a single building; Hudson Falls has developed its three elementary schools according to a grade center (Princeton/stacking) plan where the schools are organized by grade level; and South Glens Falls has neighborhood



schools. While all of the buildings were built in approximately the same era, only the Fort Edward building has two floors.

When school districts merge, it is not uncommon for the districts' elementary schools to remain in the communities where they are located prior to the merger. This is often done to maintain a school presence in a community. It is also done to avoid longer bus rides for the youngest children who attend the elementary schools. Should Fort Edward pursue a merger with either of the two study districts, it is possible that the decision will be made to keep an elementary school open in Fort Edward....in fact, that is the assumption made in this study.

Similar to table 7.1, table 7.2 provides an overview of the secondary facilities.

Table 7.2 Overview of Secondary Buildings					
Building	Year of Original Building	Square Feet in Current Building	Number of Floors	Grades Housed	Overall Condition of Building
Fort Edward Junior-Senior High School	1924	45,816	3	6-12	Satisfactory
Hudson Falls Middle School	1967	118,343	2	6-8	Satisfactory
Hudson Falls High School	1954	168,354	2	9-12	Satisfactory
South Glens Falls Middle School	1932	153,450	3	6-8	Satisfactory
South Glens Falls High School	1964	157,040	2	9-12	Satisfactory

From the previous table 7.2, we see that the Fort Edward building is by far the oldest building having been built in 1924; it was followed eight years later by the construction of the South Glens Falls Middle School. All of the other facilities were constructed between the mid 50's and mid 60's. Fort Edward is by far the smallest building, not surprising because the student enrollment is much smaller in Fort Edward than in either of the other two districts.

A merged school district is only permitted to have one high school. Therefore it will have to be determined whether or not Fort Edward maintains its own middle school or merges its middle school population with its merger partner district. Should Fort Edward merge with Hudson Falls or South Glens Falls, the Fort Edward students in



grades 9-12 would be transported to the high school of its merger partner. More discussion on this topic will follow later in this chapter.

For purposes of this study, it will also be assumed that the merged district will decide to merge the middle schools. This is the most common approach to take when school districts merge since additional efficiencies are generated, duplication of facilities and program are eliminated, and academic and athletic program offerings are easier to offer the students. Should the merged district merge the middle schools, table 7.3 that follows show the resulting impact on student enrollment.

Table 7.3 Increase in Middle School Enrollment with Fort Edward Merger								
Grade	2018-19 Fort Edward Enrollment	# of Sections		# of Hudson Falls Students	% Increase in Student Enrollment with Addition of Fort Edward Students		# of South Glens Falls Students	% Increase in Student Enrollment with Addition of Fort Edward Students
6	25	1		183	13.7%		237	10.5%
7	35	2		181	19.3%		249	14.1%
8	29	2		176	16.5%		194	14.9%

As can be seen from table 7.3, accommodating the Fort Edward middle school students will increase enrollment in both districts anywhere from 10.5% to 19.3%. The question for a full merger study is whether or not these students can be absorbed into existing sections or whether additional sections of courses will have to be created. However, from a facilities standpoint, it does not appear that the construction of a new school or even an addition of classrooms would have to be undertaken to accommodate these students.

Just as we have looked at the impact of merging the districts' middle school students, it is also prudent to examine the impact of merging the high school populations. Table 7.4 that follows shows this data.



Table 7.4								
Increase in High School Enrollment with Fort Edward Merger								
Grade	2018-19 Fort Edward Enrollment	# of Sections		# of Hudson Falls Students	% Increase in Student Enrollment with Addition of Fort Edward Students		# of South Glens Falls Students	% Increase in Student Enrollment with Addition of Fort Edward Students
9	35	2		211	16.6%		257	13.6%
10	34	2		163	20.6%		244	13.9%
11	34	2		137	24.8%		240	14.2%
12	26	1		164	15.9%		217	12.0%

As can be seen from table 7.4, accommodating the Fort Edward high school students will increase enrollment in both districts anywhere from 12.0% to 24.8%. The question for a full merger study is whether or not these students can be absorbed into existing sections or whether additional sections of courses will have to be created. However, from a facilities standpoint, it does not appear that the construction of a new high school or even an addition of classrooms would have to be undertaken to accommodate these students.

In assuming that no significant facilities work will have to be undertaken, it is fully acknowledged that locating the 440 Fort Edward students following a merger would be a significant undertaking. It will undoubtedly require that changes to the existing facilities arrangements will have to be made. Some ways that this might be accomplished include the following:

- rearranging special education classrooms;
- not renting classrooms to BOCES;
- recapturing classrooms that are now used for other purposes;
- putting special classes on carts;
- relocating programs that do not require full size classrooms into smaller rooms

Obviously some of these changes are more desirable than others. Some of these options might work, others might not, and there may be other possibilities. However, staff will have to use these and other strategies to complete the assimilation of the Fort Edward students into the merged district.



From a distance perspective, a merger with either of the two study districts would not create significant issues in that Fort Edward is very small district geographically. Fort Edward has an area of 3 square miles, Hudson Falls has 53 square miles, and South Glens Falls has 66 square miles.

While it does not appear that any additional buildings or any significant additions would be required for a merger of Fort Edward with either of these districts, some renovations and alterations can reasonably be expected. All three districts currently receive funding assistance from the state in order to construct their school buildings. And while the extent to which the state shares in the cost of capital construction can vary with each project, the current state sharing ratios for each district can be seen as follows.

Fort Edward-87.0%

Hudson Falls-84.8%

South Glens Falls-79.5%

Capital expense is an area where the state pays significant financial incentives for school districts that merge. If districts merge, the state provides incentives related to approved capital construction for a ten-year period and for existing building debt. For any approved capital construction in a merged district, the state multiplies the higher district's building aid ratio by 30%, and then adds the resultant figure to the higher building aid ratio. New York State aids up to a maximum of 98% for high needs districts for a period of ten years after the merger. A merger of Fort Edward with either of the study districts would generate building incentive aid at the high needs level of 98%. This means that any approved costs for a new construction project in a Fort Edward merger with either district would be aided by the state at 98% for a period of ten years after the effective date of the merger..

Financial incentives for existing building debt are also available from the state. When districts merge, each individual district's existing capital debt is brought forward and becomes an obligation of the merged district. However, with a merger, this existing capital debt is aided by the state at the higher of the previous districts' building aid ratio. Any existing debt for either district involving a merger with Fort Edward would be aided at 87.0%, Fort Edward's current aid ratio and the highest of the three districts. A complete analysis of the financial impact of these state incentives would be part of a complete merger study.



Chapter 8

Transportation

When school districts entertain possible consolidation, one significant variable that always comes up in discussion is the amount of time students (particularly young children) will have to ride the school bus each day to get to and from school. Therefore it is important to study the distances between schools in the three districts being studied.

However, this analysis will not tell us how long all children will have to ride a school bus



since many things influence this in addition to distance between buildings. Factors such as routing patterns, number of school buses, locations of school buildings, etc. all impact the amount of time students spend riding the bus. However, this look at distances between buildings can provide some basic information on distances and therefore gives a sense of additional riding times. For the purposes of this study, it is assumed that the Fort Edward Elementary School will

remain open so Table 9.1 examines only the distances between the school buildings housing secondary students.

Another factor, which will influence the time that students are on buses, is the geographic size of the district. As noted in Table 3.1, the geographic size of each district is as follows: Fort Edward, 3 square miles; Hudson Falls, 53 square miles; South Glens Falls, 66 square miles.

In addition to the distance that children travel to get to and from school, another factor to be considered in a merger is the bus fleet that each district brings to the possible merger. Fort Edward currently has three large school buses, two small buses, and one van. Hudson Falls' fleet includes twenty-seven large buses, fourteen 30-passenger buses, and three vans. South Glens Falls' bus fleet consists of forty-two large buses, eight 30-passenger buses, and seven small buses/vans ranging in size from 7-passenger to 18-passenger. The above counts include spare vehicles. In examining the bus fleets of all three districts, it is readily apparent each has done a good job of keeping their fleets current. The districts have all consistently replaced buses each year. Since 2014, Fort



Edward has been using a bus leasing program. It does not appear that the condition of any of the bus fleets would be a deterrent to merger discussions.

Table 9.1			
Distance Between Secondary Schools			
District	Fort Edward	Hudson Falls	South Glens Falls
Fort Edward		3.1 miles/ 8 minutes	5.8 miles/ 12 minutes

Fort Edward currently transports only students in grades Pre-K – 3. In the event of a merger, Fort Edward students in grades 4 – 12 would be eligible for transportation under the policy guidelines of the annexing district. Since Fort Edward encompasses only three square miles for the entire district, Fort Edward students would have a relatively short bus ride to get to school and back, which for most students in grades 4 – 12, is not currently an option.

**When school districts entertain possible consolidation,
one significant variable that always comes up in
discussion is the amount of time students will have to
ride the bus!**



Chapter 9

Staffing

Education is a people intensive business. School districts routinely spend 70-75% of their operating budgets on salaries and fringe benefits for the people who work in their schools. As school districts explore merger, consideration of the staffing needs of the school districts is important. This chapter of the report examines staffing patterns in the three study districts as well as the staffing implications should a merger occur.

Prior to analyzing staffing data for this potential merger, it is important to review the impact that annexation has on staffing. In an annexation, teaching personnel in the district which is annexed have the right to employment in the annexing district if a vacancy exists within their tenure area. Teachers from the annexed district do not, however, have "bumping" rights. If a vacancy is not available within a teacher's tenure area, the teacher is placed on a preferred eligible list for a period of seven years. Once employed, for salary, sick leave and any other purposes, the length of service credited in the annexed district shall be credited as employment time with the annexing district. The local civil service commission regulates the employment of support staff.

We begin our review of staffing and related financial implications of merger by presenting the administrative organizational structure of the three study districts. The following table summarizes the administrative/supervisory positions in the three study districts.





Table 9.1 Administrative & Supervisory Positions			
Position	Fort Edward	Hudson Falls	South Glens Falls
Superintendent	1	1	1
Assistant Superintendent-Curriculum & Instruction	-	1	1
Director of Business/ Bus. Manager	1	1	1
Treasurer	1	1	1
Director of Special Education	-	1	1
Elementary Principal	1	3	4
Middle School Principal	-	1	1
High School Principal	1	1	1
Director of Technology	-	1	-
District Data Coordinator	-	-	1
Micro Systems Coordinator	-	-	1
Director-Health Services/Science	-	1	1
Transportation Supervisor	-	1	1
Superintendent-Buildings & Grounds/Director-Facilities	-	1	1
Maintenance Mechanic	1	-	-
School Lunch Manager	-	1	1

All three districts have a superintendent of schools and a business official. Hudson Falls and South Glens Falls, being the larger districts, also have a district office administrator in charge of curriculum and instruction. Each of the districts has a principal in charge of each of the school buildings. Depending on the grade/building arrangements in a merged district, it might or might not be possible to reduce any building level administrators. In a merged district scenario, only one superintendent and one business administrator would be needed.

We now look at the compensation of teachers in Fort Edward, Hudson Falls, and South Glens Falls. All three districts have a traditional salary schedule that is structured around years of service, the attainment of graduate credits, and the payment of a stipend or salary differential for attaining a Masters Degree. Table 9.2 that follows compares those salary grids for the three districts.



Table 9.2 Comparison of Teacher Salary Schedules-2018-19 (Assumes a 30 Hour Masters Degree)			
Column and Step	Fort Edward	Hudson Falls	South Glens Falls
B-Step 1	44,685	41,470	42,424
B-Step 5	48,061	44,615	48,083
B-Step 10	54,423	49,769	56,390
B-Step 15	60,827	55,262	65,702
B-Step 20	68,907	60,100	82,448
Top Step	68,907 (20)	75,986 (24)	84,859 (23)
M-Step 1	46,844	43,170	44,948
M-Step 5	49,929	46,315	50,607
M-Step 10	56,288	51,469	57,140
M-Step 15	62,664	56,962	68,225
M-Step 20	84,364	61,800	85,276
Top Step	84,364 (20)	77,686 (24)	87,691 (23)
M+30-Step 1	48,257	44,370	46,469
M+30-Step 5	51,339	47,315	52,128
M+30-Step 10	57,701	52,669	60,311
M+30-Step 15	64,055	58,162	69,747
M+30-Step 20	85,756	63,000	86,883
Top Step	85,756 (20)	78,886 (24)	90,031 (23)

The previous table 9.2 identifies certain steps on each salary column and also contains the highest salary in each column of the schedule with the number in parentheses representing the step/years of experience needed to reach that highest salary. In addition to the salary schedules, it should be noted that Hudson Falls pays an additional stipend to teachers whose years of credited experience have resulted in them being above the top step of the salary schedule. These amounts are part of the teachers' salaries and are cumulative from one year to the next. The amounts of these stipends are as follows:

2018-19-\$1,600

2019-20-\$1,650

Similar to Hudson Falls, South Glens Falls also makes payments to teachers who are above the top step of the salary schedule. For teachers who reach the top step of the salary schedule in a previous year, a stipend of:

2018-19-\$1,000

2019-20-\$1,000



is paid at the conclusion of the school year. The stipend is non-cumulative and is not made part of the base salary of any school year.

Off step payments notwithstanding, it is important to examine the comparable salary schedules presented in table 9.2. At the first five steps of the BA column, Fort Edward is equal to or higher than the other two districts. The first five steps of this column are most relevant because teachers are required to attain a Masters Degree for permanent certification and nearly all have achieved that in the first five years of teaching. At the Masters column, Fort Edward is consistently higher than Hudson Falls and very similar to the salaries paid in South Glens Falls. This same pattern holds for the Masters + 30 column. This comparison is not at all unusual when looking at the salary schedules of school districts. Negotiations in New York State are conducted in each school district. Each board of education negotiates with its bargaining units and ends up with contracts, none of which are the same from one school district to another. Subsequent to the annexation, however, it will be up to the board of education and the teacher union to negotiate a satisfactory way of defining salaries and benefits for the teachers in the new merged school district.

In addition to comparing the salary schedules, table 9.3 that follows compares the actual salaries that are paid to teachers in the three districts.

Table 9.3			
Teacher Salary Information for 2018-19			
	Fort Edward	Hudson Falls	South Glens Falls
Total Teacher Payroll	\$3,595,324	\$12,469,853	\$19,392,482
Number of Teachers	51.6	212.99	264
Average Teacher Salary	\$68,832	\$58,544	\$73,456
Average Teacher Step	15.1	13.1	16.1

In examining the teacher salary schedules in table 9.2 and the actual salaries paid to teachers in table 9.3, it is apparent that the Fort Edward and South Glens Falls schedules are fairly similar. The Hudson Falls salary schedule, on the other hand, is lower than either Fort Edward or South Glens Falls. The schedule in Hudson Falls is lower as evidenced in table 9.2 and the actual salaries paid to teachers is lower as shown in table 9.3. The actual salaries paid in Hudson Falls are lower in part because the salary schedule is lower and in part because the Hudson Falls teachers have the least senior staff with an



average step/experience of 13.1 years. Fort Edward has an average step of 15.1 and South Glens Falls has an average step of 16.1. In conclusion, the Fort Edward and South Glens Falls salary schedule are fairly similar while the Hudson Falls schedule is the lowest of the three districts.

In discussing what the teacher salary schedule might look like in a merged district, it should be noted that the Hudson Falls teacher contract contains the following language:

“If the Hudson Falls school district merges, consolidates, or acquires any other district during the life of this agreement, the monetary portion of this agreement will be reopened immediately.”

It is difficult to predict how a salary schedule will be structured in a merged district. However, should a merger occur that involves Hudson Falls, attention will have to be paid to this language.

There is no state statute or regulation that determines the level at which the successor teacher agreement in any annexation must be negotiated with respect to salary. Labor and management are free to negotiate a salary schedule that is similar to, higher than, or lower than the existing salary schedules. However, in districts that have merged in New York State, there has traditionally been a “leveling up” process that takes place with regard to salary and salary related benefits. That is, teachers in the lower paying of the merged districts have their salaries “leveled up” to the higher district salary schedule. In some cases this happens in the first year of the new contract. In other cases, this salary and related benefit “leveling up” happens over a period of years.

It should be clearly understood that leveling up of salaries is not required in any way. While the financial incentives for merging are significant, these funds are finite and resources spent in one area precludes these resources being spent in another area. These are the priority decisions that a merged school district will have to face.

The impact of merger on leveling up teacher salaries is difficult to predict. While it is true that previous mergers have provided for leveling up of teacher salaries, those mergers also took place in a very different economic climate than schools in New York State are facing today. However, there is no question that this concept should be included in planning for a possible merger study. This impact should, however, be considered in conjunction with the amount of incentive operating aid that the districts will be receiving



should a merger occur. The potential impact on teachers' salaries, should a merger occur, will be discussed separately for each of the possible merger partners.

In either merger scenario, an annexation of Fort Edward will occur. In this process, the Fort Edward teacher contract will expire and the Fort Edward teachers will, presumably, be placed on the annexing district's teacher salary schedule. Should Fort Edward be annexed by Hudson Falls, the Fort Edward teachers will be placed on a salary schedule that is lower than their previous salary schedule. However, the language in the current Hudson Falls contract dealing with reopening monetary issues immediately after merging with another school district must then be considered. Should Fort Edward be annexed by South Glens Falls, the Fort Edward teachers would be placed on a more similar salary schedule from South Glens Falls. This illustrates the difficulty in trying to predict the salaries of teachers subsequent to a merger. However, with certain assumptions, the following two merger scenarios are considered.

Should Fort Edward merge with Hudson Falls, there is a significant difference in the salary schedules for the two districts. Fort Edward with 52 teachers has the higher schedule compared with Hudson Falls which has 213 teachers. The vast majority of teachers are on the Masters Degree column. In comparing the salaries for Fort Edward and Hudson Falls on the Masters column, Fort Edward is higher by between \$4,000 and \$6,000 on steps 1-15. By the time the salaries on the Masters column are at step 20, Fort Edward is higher by approximately \$23,000. At the Masters degree column top step, Fort Edward is higher by approximately \$7,000 even though it takes Fort Edward teachers only 20 years to get to the top step while it takes Hudson Falls teachers 24 years to get to their top step. While an individual teacher analysis would be completed in a full merger study, this study estimates the potential impact of leveling up teacher salaries. Under the most conservative cost estimate, the Hudson Falls teachers might be leveled up to the Fort Edward teacher salary schedule. The difference in the average teacher salaries for the two districts is approximately \$10,000. However, the Hudson Falls teachers are, on average, approximately two steps less senior than the Fort Edward teachers. The average step value on the Hudson Falls schedule is approximately \$1,000 so two steps would provide an allowance of \$2,000 for seniority. Subtracting that \$2,000 from the average salary difference of approximately \$10,000 would reasonably predict that the cost of leveling up the Hudson Falls teachers with the Fort Edward teachers could be



approximately \$8,000 per teacher. With Hudson Falls' 213 teachers, this could create a cost of approximately \$1,704,000. Adding on an additional 25% for salary related benefits like retirement costs and social security contributions, the total cost for leveling up salaries and salary related benefits could be approximately \$2,130,000.

On the other hand, should Fort Edward merge with South Glens Falls, the current salary schedules would be much more similar. Fort Edward has 52 teachers compared with South Glens Falls which has 264 teachers. Again the vast majority of teachers are on the Masters Degree column. In comparing the salaries for Fort Edward and South Glens Falls on the Masters column, Fort Edward is higher by \$2,000 at step 1 and lower by \$1,000 on step 5; Fort Edward is higher by \$1,000 at step 10 but lower by \$6,000 at step 15 and lower by \$1,000 on step 20. This makes the comparison of salary schedules quite challenging as far as predicting salaries for a merged district; however, the salary schedules are clearly more similar than the Hudson Falls schedule. While an individual teacher analysis would be completed in a full merger study, this study estimates the potential impact of leveling up teacher salaries. The difference in the average teacher salaries for the two districts is approximately \$5,000. However, the South Glens Falls teachers are, on average, approximately one step more senior than the Fort Edward teachers. The average step value on the South Glens Falls schedule is approximately \$2,000 so one step would provide an allowance of \$2,000 for seniority. Subtracting that \$2,000 from the average salary difference of approximately \$5,000 would reasonably predict that the cost of leveling up the Fort Edward teachers with the South Glens Falls teachers could be approximately \$3,000 per teacher. With Fort Edward's 52 teachers, this could create a cost of approximately \$156,000. Adding on an additional 25% for salary related benefits like retirement costs and social security contributions, the total cost for leveling up salaries and salary related benefits would be approximately \$195,000.

One other benefit that is of significant cost to school districts is the cost of health and dental insurance premiums for its employees. Table 9.4 that follows shows the contribution rates for health insurance premiums that the study districts pay for their employees.



Table 9.4 Contractual Health/Dental Insurance Provisions			
Provision	Fort Edward	Hudson Falls	South Glens Falls
Health Insurance	-PPO-District pays 85% of premium -Alternate PPO-District pays 90% of premium -Gold Plan-District pays 95% of premium	District pays 84.5% of premium	District pays 82% of premium
Health Insurance Buyout	\$2,500 for 2 person coverage; \$3,500 for family coverage	-	\$4,100-only for 2 person or family coverage
Dental Insurance	District pays 90% of premium	District pays 100% for individual coverage and 80% for family coverage	District pays 100% of premium cost

From table 9.4, it is clear that health insurance premium payments vary from one district to another. Having said that, however, the contributions of all three districts are really quite similar. Insurance coverage is a complex undertaking and entails more detail than is shown in the table above. It is equally clear that, should a merger occur, the negotiation of a single health insurance program will be a complex and emotional undertaking. However, to the extent that this study looks at health insurance coverage, the conclusion is that the contribution rates are much more similar than different. All three districts contribute approximately the same amount for active staff. If a merger were to occur, a new plan would have to be developed but it is not anticipated that the financial impact would be so significant as to be included as a hindrance in this study.

The final staffing item to be considered is the retirement incentive language that is included in each of the three districts' teacher contracts. These provisions can be costly but can also be mitigated by the fact that some of the obligations are satisfied by one-time payments. The following table 9.5 examines the retirement incentive language in the teachers' contracts.



Table 9.5 Contractual Retirement Provisions			
Provision	Fort Edward	Hudson Falls	South Glens Falls
Health Insurance in Retirement	-if retirement is in the 1 st year of eligibility, pay same % as active members for all coverage -if not in 1 st year of eligibility, employee pays 50% for individual and 65% for spouse or family	-with 10 years of service, retiring employee gets 1 month of fully paid health insurance for every 5 days of unused sick leave -in the 1 st year of retirement eligibility with at least 23 years of service (10 in HF), employee gets 1 month of fully paid health insurance for every 4 days of unused sick leave	-with 15 years in SGF and in the 1 st year of retirement eligibility, when Medicare eligible the employee gets 100% of insurance paid for individual coverage; spouse is removed from coverage and employee gets \$20,000; % decreases from 2 nd to 5 th year of eligibility -employee also receives 1 month of coverage at 82% district contribution for each 3-day block of unused sick leave
Retirement Incentive	- with at least 10 years of service in FE, 40% of of sick days X daily rate to a maximum of \$27,000	-with at least 30 years of service (10 in HF), retiring teacher gets \$500 for each year of experience in HF	

Table 9.5 again shows that all three districts provide some type of insurance coverage and incentives for their teachers. While these provisions are all different, again they are really quite similar. Should a merger occur, staff would have to negotiate an agreement that would provide clear benefits for retirees.



Chapter 10

Finances

Community support for its school district and the financial plan it presents annually is evidenced in the annual budget referendum.

Communities that regularly support the board's spending plan show confidence in the board's ability to balance the needs of students with the taxpayers' ability to pay. Therefore we begin by examining the history of budget votes in each of the study districts. That history of first annual budget votes is reflected in the table that follows.



Table 10.1						
History of School Budget Votes in the Study Districts						
	Fort Edward		Hudson Falls		South Glens Falls	
Year	Yes	No	Yes	No	Yes	No
2009	164	49	522	214	1087	543
2010	187	52	630	201	1069	697
2011	138	14	671	157	1082	824
2012	147	29	553	156	1143	424
2013	164	41	475	93	950	363
2014	135	18	416	68	933	275
2015	168	22	453	70	812	273
2016	109*	52*	349	76	864	239
2017	194	60	349	69	721	167
2018	102	153	382	59	579	144

* Tax Levy Increase exceeded Property Tax Cap

Table 10.1 above portrays an enviable voting record on school budgets for all three districts. In the past 10 years, residents of Fort Edward, Hudson Falls, and South Glens Falls have passed budgets on the first vote every year with one exception. The 2018-19 Fort Edward budget was defeated on the first vote but was subsequently passed on the second vote with 103 'yes' votes and 75 'no' votes. Residents of all three districts have shown strong support for the spending plans advanced by their boards of education.

Critical to the examination of the Fort Edward finances is the significant reduction to the assessed property valuation of the district from action related to the former General Electric Company dewatering plant. In 2016-17, the total assessed valuation of the Fort



Edward district was \$175,044,711. In 2018-19, the total assessed valuation of the district had been reduced to \$109,905,421; a loss of \$65,139,290, or 37.2%, of the total assessed value of the district. Because the costs to operate the school district did not go down, this dramatic loss in assessments meant that the obligation for funding the schools had to be spread across the taxpayers to cover the \$65,139,290 loss of assessment from GE.

To illustrate the dramatic impact of this loss on district taxpayers, it is helpful to consider what the 2018-19 tax rate per \$1000 of assessed value would have been in Fort Edward had the assessed value remained the same as it was in 2016-17. The 2018-19 tax rate on assessed value is \$27.30 / \$1000 of assessed value. Using the 2016-17 assessed value of the district would result in a tax rate of \$17.14 / \$1000. The dramatic decrease in the district's assessed value from GE resulted in an equally dramatic increase in the school taxes of other property owners is a major factor in this study being undertaken.

Districts that consider merging bring with them their outstanding liabilities including capital debt. When a merger is being considered, if the debt load of the districts is considerably disproportionate, it can be viewed as a deterrent to merger. Therefore, we next looked at the debt service that is currently being carried by each district. This data is on debt that exists for projects actually undertaken by the school districts. Table 10.2 that follows reflects outstanding debt service for facilities as well as for school bus purchases as of June 30, 2018.

Table 10.2 Debt Service Projections-Principal and Interest-Before State Aid (Indicates total principal and interest and year existing debt is retired)			
Year Retired	Fort Edward	Hudson Falls	South Glens Falls
2018-19	\$1,018,094	\$4,880,421	\$1,909,894
2019-20	\$1,019,219	\$4,719,793	\$2,469,997
2020-21	\$859,619	\$4,465,466	\$1,134,247
2021-22	\$547,494	\$4,388,984	\$794,775
2022-23	\$550,869	\$4,236,084	\$789,778
2023-24	\$553,544	\$2,480,353	\$604,850
2024-25	\$549,875	\$890,053	\$357,000
2025-26		\$876,963	\$5,000
2026-27		\$692,950	
TOTAL	\$5,098,713	\$27,631,065	\$10,561,849



The total debt load of the three districts can be seen in table 10.2. Fort Edward will be repaying debt through the 2024-25 school year and has a combined outstanding principal and interest totaling \$5,098,713. The Hudson Falls debt repayment schedule will not be complete until 2026-27 and its total debt load of \$27,631,065 is considerably greater than either of the other two districts. The South Glens Falls capital debt will expire in 2025-26 and its debt totals \$10,561,849.

The base year for all financial data in this report is 2017-18 since it is the last completed fiscal year. It is important to note that Fort Edward is expected to close on a \$3.7 million bond for the current construction project prior to fiscal year end June 30, 2019. South Glens Falls will also be incurring additional debt for a capital project borrowing of \$55.5 million in 2019-20 (paying off a construction BAN of \$40.8 million from 2018-19).

Existing debt is a factor that must be considered when looking at merger. However, it is important to note that the data contained in Table 10.2 is the total cost of principal and interest payments necessary to retire existing debt and does not include financial assistance received from the state in the form of building aid or transportation aid. The 2018-19 transportation aid ratios for the three districts are as follows: Fort Edward, .900; Hudson Falls, .900; and, South Glens Falls, .697. The building aid ratios for the three districts are: Fort Edward, .870; Hudson Falls, .848; and, South Glens Falls, .795.

While building aid ratios may vary from one capital project to the next, these changes are usually not terribly significant. Obviously, given the percentages above, the state's contribution to these capital costs significantly reduces the impact to the local taxpayer. In all three districts, the local taxpayer pays between 10 and 21 cents on the dollar for these capital costs. The amount of existing capital debt that Hudson Falls must repay is something the districts should consider during these discussions because its obligations are significantly more than the debt service in either of the other two districts.

Capital expense is an area where the state pays significant financial incentives for school districts that merge. If two districts merge, the state provides incentives related to new capital construction and existing building debt. As explained in the facilities chapter of this report, a merger between Fort Edward and Hudson Falls would benefit from an enhanced building aid ratio of 98% since both districts are designated as "high needs"



districts. South Glens Falls is not designated as a “high needs” district but because Fort Edward is a “high needs” district, a merger between these two districts would also generate an enhanced building aid ratio of 98%.

Also explained in the Facilities section of this report, incentives for existing building debt are available from the state as well. When districts merge, each individual district’s capital debt is brought forward and becomes an obligation of the merged district. However, with a merger, this existing capital debt is aided by the state at the higher of the previous districts’ building aid ratios. Consequently, consolidation of Fort Edward and Hudson Falls would increase the building aid ratio from 84.8% on the existing Hudson Falls debt to the Fort Edward building aid ratio of 87.0%. South Glens Falls would see an increase from its 79.5% building aid ratio to 87.0% in a merger with Fort Edward.

School districts that are well managed put money aside for unexpected events such as emergencies (for example, replacing a school’s boiler) as well as for expected future expenditures (for example, capital improvements). Mergers are somewhat like a marriage. When districts merge, along with liabilities brought to the marriage, each district also provides assets. The fund balances a school district has established are assets. Therefore, the three school districts’ fund balance accounts as of June 30, 2018 are summarized in table 10.3 that follows.



Table 10.3			
School District General Fund Balances - June 30, 2018			
	Fort Edward	Hudson Falls	South Glens Falls
Restricted	\$1,164,318	\$1,514,564	\$12,284,990
Assigned	\$243,772	\$358,094	2,397,401
Unassigned	\$730,235	\$1,577,934	\$1,799,919
Total Fund Balance	\$2,138,325	\$3,450,592	\$16,482,310

It can be seen from table 10.3 that all three districts have maintained funds in reserve (restricted) accounts despite the fiscal challenges of the past several years.

These districts, like all other school districts in New York State, were required to set their tax rate for the 2018-19 school year by September 1, 2018. The following table highlights items from this tax rate calculation.



Table 10.4 Full Value Tax Calculation: 2018-2019			
	Fort Edward	Hudson Falls	South Glens Falls
Full Value	\$137,381,776	\$921,110,739	\$1,926,795,798
2018-19 School Levy	\$3,000,000	\$12,234,098	\$29,884,088
Full Value Tax Rate/\$1,000	\$21.84	\$13.03	\$15.51

Calculating full value tax rates is the only fair way to compare one district to another due to variations in local assessment practices. Also, the percentage spread between school district tax rates becomes important when districts are considering a potential merger as will be evidenced later in this study. As Table 10.4 illustrates, the spread in tax rates per thousand dollars of full value between Fort Edward (\$21.84) and Hudson Falls (\$13.03) is \$8.81 or 67.6%. The spread between Fort Edward (\$21.84) and South Glens Falls (\$15.51) is \$6.33 or 40.8%

An extremely important benefit of school district consolidation in New York State is the amount of extra state aid a newly merged district receives. This additional incentive aid is determined by the wealth of the new district and a 14-year declining *additional* percentage of general aid called incentive operating aid. For the first five years following a merger, an additional 40% of the 2006-07 base operating aids of the previous districts is received. Beginning in year six, the percentage is reduced 4% a year for the next nine years. In year 15, the incentive operating aid is discontinued.

The first two-district combination is Fort Edward and Hudson Falls. Table 10.5 below tells us that for the first five years following consolidation, the new district would receive an additional \$4,637,994 of incentive operating aid each year. In total, fourteen years after consolidation, the total amount of incentive operating aid would be \$44,060,947.



Table 10.5					
Incentive Operating Aid – Fort Edward and Hudson Falls					
Year	Fort Edward 2006-07 Operating Aid	Hudson Falls 2006-07 Operating Aid	Combined 2006-07 Operating Aid	IOA%	Incentive Operating Aid
2020-21 (1)	\$2,261,866	\$9,333,120	\$11,594,986	40%	\$4,637,994
2021-22 (2)	\$2,261,866	\$9,333,120	\$11,594,986	40%	\$4,637,994
2022-23 (3)	\$2,261,866	\$9,333,120	\$11,594,986	40%	\$4,637,994
2023-24 (4)	\$2,261,866	\$9,333,120	\$11,594,986	40%	\$4,637,994
2024-25 (5)	\$2,261,866	\$9,333,120	\$11,594,986	40%	\$4,637,994
2025-26 (6)	\$2,261,866	\$9,333,120	\$11,594,986	36%	\$4,174,195
2026-27 (7)	\$2,261,866	\$9,333,120	\$11,594,986	32%	\$3,710,396
2027-28 (8)	\$2,261,866	\$9,333,120	\$11,594,986	28%	\$3,246,596
2028-29 (9)	\$2,261,866	\$9,333,120	\$11,594,986	24%	\$2,782,797
2029-30 (10)	\$2,261,866	\$9,333,120	\$11,594,986	20%	\$2,318,997
2030-31 (11)	\$2,261,866	\$9,333,120	\$11,594,986	16%	\$1,855,198
2031-32 (12)	\$2,261,866	\$9,333,120	\$11,594,986	12%	\$1,391,398
2032-33 (13)	\$2,261,866	\$9,333,120	\$11,594,986	8%	\$927,599
2033-34 (14)	\$2,261,866	\$9,333,120	\$11,594,986	4%	\$463,799
2034-35 (15)	\$2,261,866	\$9,333,120	\$11,594,986	0%	\$0
				TOTAL	\$44,060,947

Table 10.6 is essentially the same as table 10.5 but the merger combination of Fort Edward and South Glens Falls is displayed. The key data to note in this table is, again, the amount of incentive operating aid the newly merged district would receive in each of the first five years following merger as well as the total amount of revenue the merged district would receive following 14 years of this incentive aid payment.



Table 10.6
Incentive Operating Aid – Fort Edward and South Glens Falls

Year	Fort Edward 2006-07 Operating Aid	South Glens Falls 2006-07 Operating Aid	Combined 2006-07 Operating Aid	IOA%	Incentive Operating Aid
2020-21 (1)	\$2,261,866	\$10,797,726	\$13,059,592	40%	\$5,223,837
2021-22 (2)	\$2,261,866	\$10,797,726	\$13,059,592	40%	\$5,223,837
2022-23 (3)	\$2,261,866	\$10,797,726	\$13,059,592	40%	\$5,223,837
2023-24 (4)	\$2,261,866	\$10,797,726	\$13,059,592	40%	\$5,223,837
2024-25 (5)	\$2,261,866	\$10,797,726	\$13,059,592	40%	\$5,223,837
2025-26 (6)	\$2,261,866	\$10,797,726	\$13,059,592	36%	\$4,701,453
2026-27 (7)	\$2,261,866	\$10,797,726	\$13,059,592	32%	\$4,179,069
2027-28 (8)	\$2,261,866	\$10,797,726	\$13,059,592	28%	\$3,656,686
2028-29 (9)	\$2,261,866	\$10,797,726	\$13,059,592	24%	\$3,134,302
2029-30 (10)	\$2,261,866	\$10,797,726	\$13,059,592	20%	\$2,611,918
2030-31 (11)	\$2,261,866	\$10,797,726	\$13,059,592	16%	\$2,089,535
2031-32 (12)	\$2,261,866	\$10,797,726	\$13,059,592	12%	\$1,567,151
2032-33 (13)	\$2,261,866	\$10,797,726	\$13,059,592	8%	\$1,044,767
2033-34 (14)	\$2,261,866	\$10,797,726	\$13,059,592	4%	\$522,384
2034-35 (15)	\$2,261,866	\$10,797,726	\$13,059,592	0%	\$0
				TOTAL	\$49,626,450

For the first five years following consolidation, the new district would receive an additional \$5,223,837 of incentive operating aid each year. In total, fourteen years after consolidation of Fort Edward and South Glens Falls, the total amount of incentive operating aid would be \$49,626,450.

While decisions about the allocation of resources are left solely to the discretion of the new board of education in a merged district, it is not unusual for boards to divide the incentive operating aid into three relatively equal priorities. These priorities are:

- Using incentive operating aid to pay for transition costs and starting up new programs; there are always costs that exist when two school districts merge. These costs may include new academic programs, enhancing academic support and talent development, starting new extra-curricular programs, adjusting salaries, having new signs for the school buildings, buying new uniforms, updating the policy manual, etc.



- Using incentive operating aid to fund reserves to ensure the long-term fiscal stability of the merged district. The incentive operating aid from the state decreases by 4% starting in year six and for each year thereafter for the next nine years. If prudent long term financial planning has not been done in advance, this reduction in incentive operating aid will result in significant tax increases for the residents after the first few years of the merger.
- Using incentive operating aid to reduce taxes immediately after the merger.

One of the areas where merged school districts incur expenses for transition costs is in leveling up teacher salaries. In the Staffing chapter of this report, the concept of leveling up teacher salaries is discussed in detail. Again, it should be remembered that there is no requirement that teacher salaries be leveled up; however, most merged districts have chosen to undertake this process in some form.

The Staffing chapter identifies the estimated costs of leveling up teacher salaries. Should Fort Edward merge with Hudson Falls, the estimated cost of leveling up teacher salaries would be approximately \$2,130,000. Should Fort Edward merge with South Glens Falls, the estimated cost of leveling up teacher salaries would be approximately \$195,000. In consideration of these costs, attention must be paid to the additional incentive operating aid that the merged district would be receiving for fourteen years. Should a merger occur, it is also very possible that significant savings could be realized by the elimination of duplicate positions currently funded in both of the districts. In a complete merger study, these savings would be researched in detail but, for purposes of this study, these savings would be more similar than different for these two merger options.

The two-district combinations at the end of 14 years following a merger would yield a total additional incentive aid of \$44,060,947 for Fort Edward and Hudson Falls or \$49,626,450 for Fort Edward and South Glens Falls.



As mentioned previously, neighboring school districts can have widely varying tax rates. Consequently, despite the additional incentive operating aid a merger of school districts might receive, it is important to compare the current tax rates of each district and to calculate the impact of the additional incentive operating aid on each district's current tax rate. This impact on the districts' tax rates can be seen in Table 10.7 and Table 10.8.

Most districts that merge expect to apply some percentage of this incentive operating aid to reduce and stabilize the local tax rate. In most merger studies, it is typically recommended that the new district begins by considering that approximately one-third of the incentive operating aid be used for this purpose, noting that adjustments can then be made according to local expectations and prudent planning. In Tables 10.7 and 10.8, the tax levy is calculated (using the 2018-19 fiscal year as a base) as if the districts had merged under two scenarios – the merger of Fort Edward and Hudson Falls and the merger of Fort Edward and South Glens Falls.

Tables 10.7 and 10.8 that follow illustrate the impact on the full value tax rate for the combined districts of Fort Edward and Hudson Falls (Table 10.7) and Fort Edward and South Glens Falls (Table 10.8). Four scenarios are shown – no incentive aid applied to reduce the tax levy, 33.3% incentive operating aid used to reduce the levy, 40% incentive operating aid used, and 50% incentive operating aid used to reduce the tax levy. Reducing the tax levy reduces the tax rate for all taxpayers. In both examples, the use of 33.3% incentive operating aid would reduce the full value tax rate for both districts.

The last three rows of tables 10.7 and 10.8 show the amount of incentive operating aid that would need to be used to reach the lower tax rate of the two districts. For a combined Fort Edward and Hudson Falls (Table 10.7), \$1,205,345, or 26% of the incentive operating aid in year one would need to be applied to the tax levy to ensure a zero tax rate increase for the residents of Hudson Falls.



Table 10.7			
Impact of Incentive Operating Aid for Fort Edward and Hudson Falls: 2018-19			
	2006-07 Base Aid	2018-19 Levy Amount to be Raised by Tax	
Fort Edward	\$2,261,866	\$3,000,000	
Hudson Falls	\$9,333,120	\$11,997,502	
Total	\$11,594,986	\$14,997,502	
Additional 40% IOA-each of 1 st 5 years		\$4,637,994	
33.3% Incentive Aid-each of 1 st 5 years		\$1,544,452	
40% Incentive Aid-each of 1 st 5 years		\$1,855,198	
50% Incentive Aid-each of 1 st 5 years		\$2,318,997	
Total Levy Less 33.3% Incentive Operating Aid		\$13,453,050	
Total Levy Less 40% Incentive Operating Aid		\$13,142,304	
Total Levy Less 50% Incentive Operating Aid		\$12,678,505	
Fort Edward Taxable Full Value		\$137,381,776	
Hudson Falls Taxable Full Value		\$921,110,739	
Combined Taxable Full Value		\$1,058,492,515	
Full Value Tax Rate with 0% of Incentive Operating Aid Applied		\$14.17	
Full Value Tax Rate with 33.3% of Incentive Operating Aid Applied		\$12.71	
Full Value Tax Rate with 40% Incentive Operating Aid Applied		\$12.42	
Full Value Tax Rate with 50% Incentive Operating Aid Applied		\$11.98	
Fort Edward 2018-19 Full Value Tax Rate			\$21.84
Hudson Falls 2018-19 Full Value Tax Rate			\$13.03
Actual 2018-19 Total Levy to be Raised by Tax for Merged District			\$14,997,502
Levy Needed to get to tax rate of \$13.03			\$13,792,157
Amount/Percent of Incentive Operating Aid to Reach Needed Levy			\$1,205,345 / 26.0%

Table 10.8 that follows shows that in a combined Fort Edward and South Glens Falls district, only \$868,694, or 16.6%, of the incentive operating aid in year one would need to be applied to the tax levy to ensure a zero tax rate increase for the residents of South Glens Falls.



Table 10.8			
Impact of Incentive Operating Aid for Fort Edward and South Glens Falls: 2018-19			
	2006-07 Base Aid	2018-19 Levy Amount to be Raised by Tax	
Fort Edward	\$2,261,866	\$3,000,000	
South Glens Falls	\$10,797,726	\$29,884,088	
Total	\$13,059,592	\$32,884,088	
Additional 40% IOA-each of 1 st 5 years		\$5,223,837	
33.3% Incentive Aid-each of 1 st 5 years		\$1,739,538	
40% Incentive Aid-each of 1 st 5 years		\$2,089,535	
50% Incentive Aid-each of 1 st 5 years		\$2,611,918	
Total Levy Less 33.3% Incentive Operating Aid		\$31,144,550	
Total Levy Less 40% Incentive Operating Aid		\$30,794,553	
Total Levy Less 50% Incentive Operating Aid		\$30,272,170	
Fort Edward Taxable Full Value		\$137,381,776	
South Glens Falls Taxable Full Value		\$1,926,795,798	
Combined Taxable Full Value		\$2,064,177,574	
Full Value Tax Rate with 0% of Incentive Operating Aid Applied		\$15.93	
Full Value Tax Rate with 33.3% of Incentive Operating Aid Applied		\$15.09	
Full Value Tax Rate with 40% Incentive Operating Aid Applied		\$14.92	
Full Value Tax Rate with 50% Incentive Operating Aid Applied		\$14.67	
Fort Edward Full Value Tax Rate			\$21.84
South Glens Falls Full Value Tax Rate			\$15.51
Actual 2018-19 Total Levy to be Raised by Tax for Merged District			\$32,884,088
Levy Needed to get to tax rate of \$15.51			\$32,015,394
Amount/Percent of Incentive Operating Aid to Reach Needed Levy			\$868,694 / 16.6%

Tables 10.7 and 10.8 show the percentage of incentive operating aid that must be applied to the merger combinations in order for both districts in the merger to have a tax rate that was either equal to or less than the tax rate that the individual district had prior to the merger.



As noted above, the full value tax rate is the only fair way to compare one district to another due to variations in local assessment practices. Many districts also lie in multiple towns and villages. Therefore, the full value tax rate is not the rate that will appear on the property owner's tax bill. Tables 10.9 and 10.10 further explore the financial impact of the merger of Fort Edward and Hudson Falls or Fort Edward and South Glens Falls by looking at the tax rate per \$1000 of assessed value.

When districts merge, the general guideline for long term financial success of the merged district is to use the incentive aid in three equal ways – reducing the tax burden for property owners, paying for transition costs and starting up new programs, and creating reserve funds. Using the assumption that 1/3 (33.3%) of the incentive aid in the merged district is applied to reduce the combined 2018-19 tax levies of each of the districts, the tax rate on assessed property value for each of the towns is represented in Table 10.9 (Fort Edward/Hudson Falls) and Table 10.10 (Fort Edward/South Glens Falls).

Table 10.9 Tax Rate per \$1000 Assessed Value – Fort Edward/Hudson Falls Merger							
Town	Assessed Value of Fort Edward	Assessed Value of Hudson Falls	Assessed Value of Combined Districts	Equalization Rate	Percent of Levy	2018-19 School Levy to be Raised by Tax using 33.3% of Incentive Aid - Each of 1st Five Years	Tax Rate / \$1000 Assessed
Moreau		\$58,318,665	\$58,318,665	100%	5.51%	\$741,206	\$12.71
Queensbury		\$7,794,973	\$7,794,973	100%	0.74%	\$99,071	\$12.71
Argyle		\$1,935,641	\$1,935,641	100%	0.18%	\$24,601	\$12.71
Fort Ann		\$15,357,869	\$15,357,869	100%	1.45%	\$195,192	\$12.71
Fort Edward	<u>\$109,905,421</u>	\$124,218,891	\$234,124,312	80%	27.65%	\$3,719,528	\$15.89
Hartford		\$1,919,308	\$1,919,308	100%	0.18%	\$24,394	\$12.71
<u>Kingsbury</u>		<u>\$680,510,669</u>	<u>\$680,510,669</u>	100%	<u>64.29%</u>	<u>\$8,649,008</u>	\$12.71
Total	\$109,905,421	\$890,056,016	\$999,961,437		100.00%	\$13,453,000	



Table 10.10
Tax Rate per \$1000 Assessed Value – Fort Edward/South Glens Falls Merger

Town	Assessed Value of Fort Edward	Assessed Value of South Glens Falls	Assessed Value of Combined Districts	Equalization Rate	Percent of Levy	2018-19 School Levy to be Raised by Tax using 33.3% of Incentive Aid - Each of 1st Five Years	Tax Rate / \$1000 Assessed
Moreau		\$1,389,170,190	\$1,389,170,190	100%	67.30%	\$20,959,961	\$15.09
Northumberland		\$111,458,716	\$111,458,716	100%	5.40%	\$1,681,702	\$15.09
Wilson		<u>\$404,858,547</u>	\$404,858,547	95%	20.65%	\$6,430,055	\$15.88
<u>Fort Edward</u>	<u>\$109,905,421</u>		<u>\$109,905,421</u>	80%	<u>6.66%</u>	<u>\$2,072,832</u>	\$18.86
Total	\$109,905,421	\$1,905,487,453	\$2,015,392,874		100.00%	\$31,144,550	

Using this model, all taxpayers in the Hudson Falls or in South Glens Falls would see a reduction of 2.5% - 3.0% in the current tax rate on assessed value. The tax rate on assessed value in Fort Edward would be reduced by 30% - 40% in either merger scenario.

It is clear that, from a tax benefit perspective, a merger of either Fort Edward and Hudson Falls or Fort Edward and South Glens Falls would be feasible and financially beneficial for both districts. Using the rule of thumb that 1/3 of the incentive aid could be used to reduce the tax levy, all residents in either merger scenario would see a reduction in their school tax rates.



Chapter 11

Summary Considerations

In examining the merger of school districts in New York State, there is one factor that simply has not been overcome when school districts are considering a merger. If the amount of incentive operating aid that is received by the merged district is not sufficient to have the tax rate of the higher taxing district reduced to at least the rate of the lower taxing district, the chances of a successful merger are minimal at best. In examining the incentive operating aid for these three districts, we find that both options reviewed would be feasible from a tax rate standpoint. Using the generally accepted rule of thumb that approximately one third of the incentive operating aid should be devoted to tax equalization/reduction and stabilization, the following are the projected amounts of incentive operating aid needed for tax stabilization:

- ✓ Fort Edward & Hudson Falls = 26.0%
- ✓ Fort Edward & South Glens Falls = 16.6%

In addition to the tax impact, the other primary factor in predicting potential merger success is the financial soundness of the districts. Table 11.1 that follows examines this data for the study districts and shows that each district has planned for the future using reserves and is currently in a sound fiscal position. Hudson Falls has significantly more debt than the other two districts but the difference is somewhat offset by state building aid ratio.

Table 11.1			
Financial Soundness Factors for the Districts			
	Fort Edward	Hudson Falls	South Glens Falls
Total Debt Service thru 2026-27	\$5,098,713	\$27,631,065	\$10,561,849
Current Building Aid Ratio	.870	.848	.795
Local Share of Debt Service*	\$662,833	\$4,199,922	\$2,165,179
Restricted Fund Balance	\$1,164,318	\$1,514,564	\$12,284,990
Unassigned Fund Balance	\$730,235	\$1,577,934	\$1,799,919
*This is an approximation for all capital projects are given varying state aid reimbursement rates based on a variety of factors.			

In addition to meeting the threshold standard of acceptable tax rates, there are other factors that might be considered by the districts. Some potential advantages and disadvantages are now considered. In creating this listing, it should be noted that an



advantage for one person *might* be perceived to be a disadvantage for another person and vice versa.

Advantages of a Merger of Fort Edward with Hudson Falls:

1. A merger with Hudson Falls would lessen the impact of the declining enrollment that is currently occurring in Fort Edward;
2. A merger with Hudson Falls would increase the probability that program reductions would not occur in the future because of low enrolled classes in Fort Edward;
3. A merger with Hudson Falls would provide more academic opportunities for the Fort Edward high school students;
4. A merger with Hudson Falls would provide more extracurricular opportunities for the Fort Edward high school students;
5. Because of the incentive operating aid associated with a merger, it is quite possible that additional programs for the students can be added in a merger with Hudson Falls;
6. Because Fort Edward encompasses only three square miles, a merger with Hudson Falls would increase the size of the current district only slightly;
7. Because Fort Edward encompasses only three square miles, a merger with Hudson Falls would require only minor changes in either district's transportation system;
8. A merger with Hudson Falls would provide an opportunity for district transportation not currently available to most Fort Edward students in grades 4 – 12.
9. There is the potential for the reduction of duplicate staff in both districts should Fort Edward merge with Hudson Falls;
10. Hudson Falls would benefit from a merger with Fort Edward because its state aid reimbursement on current capital debt would increase to 87%;
11. Both Fort Edward and Hudson Falls would benefit from a merger because their building aid ratio would be enhanced to 98% of approved capital expenses for future renovations and additions for ten years after the merger;
12. Both Fort Edward and Hudson Falls would benefit from a merger because the incentive operating aid would be a significant infusion of revenue into the merged district;



13. Using the generally accepted rate of 33.3% of the incentive operating aid to reduce the tax levy in the merged district, a decrease in the tax rate would occur for all taxpayers in Fort Edward and Hudson Falls.

Advantages of a Merger of Fort Edward with South Glens Falls:

1. A merger with South Glens Falls would lessen the impact of the declining enrollment that is currently occurring in Fort Edward;
2. A merger with South Glens Falls would increase the probability that program reductions would not occur in the future because of low enrolled classes in Fort Edward;
3. A merger with South Glens Falls would provide more academic opportunities for the Fort Edward high school students;
4. A merger with South Glens Falls would provide more extracurricular opportunities for the Fort Edward high school students;
5. Because of the incentive operating aid associated with a merger, it is quite possible that additional programs for the students can be added in a merger with South Glens Falls;
6. Because Fort Edward encompasses only three square miles, a merger with South Glens Falls would increase the size of the current district only slightly;
7. Because Fort Edward encompasses only three square miles, a merger with South Glens Falls would require only minor changes in either district's transportation system;
8. A merger with South Glens Falls would provide an opportunity for district transportation not currently available to most Fort Edward students in grades 4 – 12.
9. There is the potential for the reduction of duplicate staff in both districts should Fort Edward merge with South Glens Falls;
10. Should Fort Edward merge with South Glens Falls and the decision be made to level up teacher salaries, the cost would be a relatively low \$195,000;
11. South Glens Falls would benefit from a merger with Fort Edward because its state aid reimbursement on current capital debt would increase to 87%;
12. Both Fort Edward and South Glens Falls would benefit from a merger because their building aid ratio would be enhanced to 98% of approved capital expenses for future renovations and additions for ten years after the merger;



13. The remaining debt service for Fort Edward and South Glens Falls are relatively similar;

14. Both Fort Edward and South Glens Falls would benefit from a merger because the incentive operating aid would be a significant infusion of revenue into the merged district;

15. Using the generally accepted rate of 33.3% of the incentive operating aid to reduce the tax levy in the merged district, a decrease in the tax rate would occur for all taxpayers in Fort Edward and South Glens Falls.

Disadvantages of a Merger of Fort Edward with Hudson Falls:

1. With a larger merged high school, there will be more competition for meaningful playing time on the school athletic teams;

2. Should Fort Edward merge with Hudson Falls and the decision be made to level up teacher salaries, the cost would be a relatively high \$2,130,000;

3. The remaining debt service for Hudson Falls is significantly higher than the debt service in either of the other study districts;

Disadvantages of a Merger of Fort Edward with South Glens Falls:

1. With a larger merged high school, there will be more competition for meaningful playing time on the school athletic teams;

In summary, the merging of school districts is a very complex undertaking. While there may be numerous benefits that accrue to the students and taxpayers of a merged district, always present are the emotional attachments that exist with the identity, the traditions, and the community center that schools represent for many people.

Nevertheless, given the analysis of the data that is contained in this study, it appears that a merger of Fort Edward with either the Hudson Falls or South Glens Falls district could prove to be beneficial for the students and the taxpayers under either merger option.

Upon closer analysis, however, it appears that while both merger options provide significant benefits, the merger of Fort Edward with South Glens Falls holds more promise for the following reasons:



1. While they are both significant, a Fort Edward merger with South Glens Falls would generate more incentive operating aid (\$49,626,450) than a merger with Hudson Falls (\$44,060,947);

2. While tax relief is probable for both merger options, a smaller amount of the incentive operating aid would be needed to level the tax rates in Fort Edward and South Glens Falls (16.6%) than in Fort Edward and Hudson Falls (26%);

3. In a merger with South Glens Falls, the Fort Edward residents would assume their share of less debt service (\$10,561,849) than with Hudson Falls (\$27,631,065);

4. While all three districts are carrying fund balances in their budgets, South Glens Falls has a total fund balance of \$16,482,310 compared with the total fund balance for Hudson Falls of \$3,450,592;

5. Should a decision be made to level up teacher salaries, that cost would be \$198,000 with a Fort Edward and South Glens Falls merger and \$2,130,000 with a Fort Edward and Hudson Falls merger.



Chapter 12

Tuitioning of Fort Edward Students in Grades 7 – 12

The final topic studied is the feasibility of Fort Edward tuitioning its students in grades 7-12 to Hudson Falls. In this tuitioning option, Fort Edward would close its middle school and high school and send its secondary students to Hudson Falls. Fort Edward would then pay tuition to Hudson Falls in order to educate these students. There are currently 29 school districts in New York State that tuition their students to other districts. School districts consider tuitioning in order to provide opportunities for students that are not feasible to offer in their home school district and to reduce the cost of running a high school, the most expensive operation in a school district.

In a tuitioning arrangement, the sending district teachers from Fort Edward are considered employees of the receiving district of Hudson Falls. If fewer teachers are needed to staff the Hudson Falls schools after the tuitioning has been completed, Fort Edward teachers do not have bumping rights. Rather, they are placed on a preferred eligible list for a period of seven years. When employed in Hudson Falls, the length of service for Fort Edward teachers carries over for salary, sick leave, and other purposes.

Should the tuitioning arrangement come to pass, the following positions in the Fort Edward school district would be eliminated:

- English teacher-3
- Social studies teacher-3
- Math teacher-3
- Science teacher-3
- Special education teacher-3
- Spanish teacher-1
- Physical education teacher-1
- Music Teacher-1
- Guidance Counselor-1
- Teacher aide-2
- Teaching assistant-1
- High school principal-1
- High school secretary-1
- BOCES art teacher-1



The elimination of these 25 positions would reduce expenses in the Fort Edward school district by approximately \$1,503,911 in salaries. Adding an additional 50% for the cost of fringe benefits would put the total savings at approximately \$2,255,867.

The New York State Education Department (NYSED) provides a formula to districts for the purpose of calculating the maximum tuition that a district receiving students can charge. Simply stated, the formula takes the expenditures directly related to student instruction and deducts state aid received. This results in a total net expenditure for instruction that is then divided by the number of students. There is a separate tuition calculation for students in special needs programs that factors in the additional instructional support costs related to the students' programs. This means that the tuition rate for special needs students is generally considerably higher.

The 2018-19 tuition rate for students in grades 7-12 received by Hudson Falls is \$3,264 per 'regular education' student and \$20,836 per 'special education' student based on 2018-19 state aid output report (NRT EST). There are 193 students enrolled in grades 7-12 this year in Fort Edward as documented in Table 5.1. The average percentage of students in Fort Edward receiving special education services is 13% based on NYSED data for the years 2010-11 through 2016-17. Assuming that 13% of the students in grades 7-12 will receive special education services from Hudson Falls, there would be 25 students with special needs and 168 students receiving 'regular education' services. At the above tuition rates, the cost for these students would be \$1,069,252 ($168 \times \$3,264 + 25 \times \$20,836$).

Another factor that would require consideration should the districts decide to explore this option in more detail is the transportation costs for students. Given the small geographic size of the Fort Edward district and the proximity to Hudson Falls, transportation costs for tuitioned students should not be a deterrent to further discussion.

This preliminary data suggests that tuitioning of the Fort Edward students in grades 7-12 to Hudson Falls could result in a net savings for Fort Edward of approximately \$1,300,000 while providing expanded opportunities for students. While this study is primarily focused on pre-merger discussions, the tuitioning of Fort Edward secondary students appears to be a viable alternative. However, it must be emphasized that the financial incentives relating to incentive operating aid and enhanced capital aid



that are available to districts which merge are not available to districts which enter a tuitioning arrangement.